

Congressional Record

PROCEEDINGS AND DEBATES OF THE SEVENTY-FIRST CONGRESS SECOND SESSION

SENATE

TUESDAY, February 11, 1930

(Legislative day of Monday, January 6, 1930)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	Keyes	Smoot
Ashurst	Frazier	La Follette	Steck
Barkley	Gillett	McCulloch	Stelwer
Bingham	Glass	McKellar	Stephens
Black	Glenn	McMaster	Sullivan
Blaine	Goff	McNary	Swanson
Blease	Goldsborough	Metcalf	Thomas, Idaho
Borah	Gould	Norbeck	Thomas, Okla.
Bratton	Greene	Norris	Townsend
Brock	Grundy	Nye	Trammell
Brookhart	Hale	Oddie	Tydings
Broussard	Harris	Overman	Vandenberg
Capper	Harrison	Patterson	Wagner
Caraway	Hastings	Phipps	Walcott
Connally	Hatfield	Pine	Walsh, Mass.
Copeland	Hawes	Ransdell	Walsh, Mont.
Couzens	Hayden	Robinson, Ind.	Waterman
Cutting	Hebert	Schall	Watson
Dale	Johnson	Sheppard	Wheeler
Deneen	Jones	Shortridge	
Dill	Kean	Simmons	
Fess	Kendrick	Smith	

Mr. SHEPPARD. I desire to announce that the junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

I also wish to announce that the senior Senator from Nevada [Mr. PITTMAN] is necessarily absent from the Senate attending a conference in the West relating to the diversion of the waters of the Colorado River. I wish this announcement to stand for the day.

I also desire to announce the necessary absence of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Pennsylvania [Mr. REED], who are delegates from the United States to the Naval Arms Conference meeting in London, England. Let this announcement stand for the day.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

BALANCE SHEET OF CHESAPEAKE & POTOMAC TELEPHONE CO.

The VICE PRESIDENT laid before the Senate a communication from Dozier A. DeVane, general counsel of the Chesapeake & Potomac Telephone Co., of Washington, D. C., submitting pursuant to paragraph 14 of the act of March 4, 1916, creating the Public Utilities Commission of the District of Columbia, etc., a comparative general balance sheet of the Chesapeake & Potomac Telephone Co. for the year 1929, which, with the accompanying paper, was referred to the Committee on the District of Columbia.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions adopted by the General Court of Massachusetts favoring the restoration to the pending tariff revision bill of the duties on shoes and leather placed therein by the House of Representatives, in order that the shoe and leather industries may be preserved and the American standard of living for the workers maintained, which were ordered to lie on the table. (See resolutions printed in full when presented on yesterday by Mr. GILLET, p. 3334, CONGRESSIONAL RECORD.)

He also laid before the Senate a resolution adopted by the Council of the American Historical Association, favoring the passage of the bill (S. 3398) to enable the George Washington Bicentennial Commission to carry out and give effect to certain approved plans, which was referred to the Committee on the Library.

He also laid before the Senate resolutions adopted at a mass meeting of the Progressive Farmers of Wisconsin, farm organization, favoring the imposition of higher tariff duties on dairy products than those already proposed to be imposed in the pending tariff revision bill, and the prohibition of the manufacture and sale of oleomargarine, which were ordered to lie on the table.

Mr. ALLEN presented a resolution adopted by the Central Labor Union, of Kansas City, Kans., favoring the passage of legislation granting increased pensions to Spanish War veterans, which was ordered to lie on the table.

Mr. CAPPER presented a petition of sundry citizens of Osawatomie, Kans., praying for the passage of legislation granting increased pensions to veterans of the war with Spain, which was ordered to lie on the table.

Mr. FRAZIER presented petitions of G. H. Anderson and 63 other citizens of Almont, of G. J. Seidlinger and 67 other citizens of Wimbledon, and of J. H. Vonderheide and 72 other citizens of Turtle Lake, all in the State of North Dakota, praying for the passage of legislation granting increased pensions to Spanish War veterans, which were ordered to lie on the table.

APPROPRIATIONS FOR TREASURY AND POST OFFICE DEPARTMENTS

Mr. PHIPPS. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 8531) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1931, and for other purposes, and I submit a report (No. 178) thereon.

The VICE PRESIDENT. The bill will be placed on the calendar.

REPORT OF POSTAL NOMINATIONS

Mr. PHIPPS, as in open executive session, from the Committee on Post Offices and Post Roads, reported sundry post-office nominations, which were ordered to be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FESS:

A bill (S. 3513) granting an increase of pension to Lucy A. Payne (with accompanying papers); to the Committee on Pensions.

By Mr. SHORTRIDGE:

A bill (S. 3514) to amend section 8 of the food and drugs act, approved June 30, 1906, as amended; to the Committee on Agriculture and Forestry.

A bill (S. 3515) to correct the military record of Joseph N. Williams; to the Committee on Military Affairs.

By Mr. NORBECK:

A bill (S. 3516) authorizing the Secretary of the Treasury to pay Dr. A. W. Pearson, of Peever, S. Dak., and the Peabody Hospital, at Webster, S. Dak., for medical services and supplies furnished to Indians; to the Committee on Claims.

By Mr. SWANSON:

A bill (S. 3517) to reimburse certain individuals for damages by reason of loss of oyster rights in Little Bay, Va., due to the taking of the same by the United States for the purpose of operating thereon a naval air training station (with accompanying papers); to the Committee on Claims.

By Mr. METCALF:

A bill (S. 3518) granting a pension to Frederick C. Manns; to the Committee on Pensions.

By Mr. GREENE:

A bill (S. 3519) to credit certain officers with service at the United States Military Academy; to the Committee on Military Affairs.

By Mr. FRAZIER (by request):

A bill (S. 3520) to promote the production and sale of Indian products and to create a board and a corporation to assist therein; to the Committee on Indian Affairs.

By Mr. GILLETT:

A bill (S. 3521) to convey to the city of Waltham, Mass., certain Government land for street purposes; to the Committee on Public Buildings and Grounds.

By Mr. NYE:

A bill (S. 3522) to amend section 9 of the act entitled "An act for the regulation of radio communications, and for other purposes," approved February 23, 1927 (44 Stat. 1162); to the Committee on Interstate Commerce.

By Mr. THOMAS of Oklahoma:

A bill (S. 3523) for the relief of Denton L. Sims; to the Committee on Military Affairs.

A bill (S. 3524) granting an increase of pension to Jemima A. Taylor (with accompanying papers); to the Committee on Pensions.

By Mr. DILL:

A bill (S. 3525) for the relief of Guy Beggors; to the Committee on Finance.

By Mr. JONES:

A bill (S. 3526) for the erection of a Federal building at Dayton, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. ROBINSON of Indiana:

A bill (S. 3527) granting an increase of pension to Henry Phillips (with accompanying papers); to the Committee on Pensions.

A bill (S. 3528) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, and acts in amendment thereof; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 3529) granting an increase of pension to Anna K. Gleitch (with accompanying papers); to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 3530) amending section 4886 of the Revised Statutes; to the Committee on Patents.

AMENDMENTS TO THE TARIFF BILL

Mr. COUZENS submitted an amendment intended to be proposed by him to House bill 2667, the tariff revision bill, which was ordered to lie on the table and to be printed, as follows:

On page 42, line 8, strike out the words and figures "Crystalline graphite, 2 cents per pound" and substitute therefor the words and figures "Crystalline lump, chip, or dust, 20 per cent ad valorem; crystalline flake, 1½ cents per pound," so that the paragraph as amended will read:

"PAR. 213. Graphite or plumbago, crude or refined: Amorphous, 10 per cent ad valorem; crystalline lump, chip, or dust, 20 per cent ad valorem; crystalline flake, 1½ cents per pound. As used in this paragraph, the term "crystalline flake" means graphite or plumbago which occurs disseminated as a relatively thin flake throughout its containing rock, decomposed or not, and which may be or has been separated therefrom by ordinary crushing, pulverizing, screening, or mechanical concentration process, such flake being made up of a number of parallel laminae, which may be separated by mechanical means.

Mr. FLETCHER submitted an amendment intended to be proposed by him to House bill 2667, the tariff revision bill, which was ordered to lie on the table and to be printed, as follows:

On page 482, strike out lines 24, 25, and 26 in the following words: "(4) Section 2804 of the Revised Statutes, as amended, (relating to limitations on importation packages of cigars)."

Mr. BLACK submitted an amendment intended to be proposed by him to House bill 2667, the tariff revision bill, which was ordered to lie on the table and to be printed, as follows:

On page 43, line 21, paragraph 216 (articles or wares composed wholly or in part of carbon or graphite, wholly or partly manufactured, not specially provided for), to strike out "45 per cent" and insert "10 per cent."

Mr. WALSH of Montana submitted an amendment intended to be proposed by him to House bill 2667, the tariff revision bill, which was ordered to lie on the table and to be printed, as follows:

On page 107, line 18, paragraph 374, to strike out the figure "5" and insert "2," and in line 19, to strike out the figure "9" and insert "3½," so as to make the paragraph read:

"PAR. 374. Aluminum, aluminum scrap, and alloy (except those provided for in paragraph 302) in which aluminum is the component material of chief value, in crude form, 2 cents per pound; in coils, plates, sheets, bars, rods, circles, disks, blanks, strips, rectangles, and squares, 3½ cents per pound."

Mr. COPELAND submitted amendments intended to be proposed by him to House bill 2667, the tariff revision bill, which were ordered to lie on the table and to be printed, as follows:

On page 38, line 19, after the comma, to strike out "\$8.40 per ton" and insert in lieu thereof the following:

"Containing above 93 per cent of calcium fluoride, \$5.60 per ton; containing not more than 93 per cent calcium fluoride, \$8.40 per ton."

On page 45, line 25, after the word "preparations," strike out the comma and the word "and" and insert a semicolon; and on page 46, strike out all of line 2 after the comma and insert the words "when suitable for use and of the character ordinarily employed for the holding or transportation of merchandise; all the foregoing not produced by automatic machine, 75 per cent ad valorem. For the purposes of this subparagraph no regard shall be had to the method of manufacture of the stoppers or covers," so that paragraph 218 (c) will read as follows:

"(c) Bottles and jars, wholly or in chief value of glass, of the character used or designed to be used as containers of perfume, talcum powder, toilet water, or other toilet preparations; bottles, vials, and jars, wholly or in chief value of glass, fitted with or designed for use with ground glass stoppers, when suitable for use and of the character ordinarily employed for the holding or transportation of merchandise; all the foregoing not produced by automatic machine, 75 per cent ad valorem. For the purposes of this subparagraph no regard shall be had to the method of manufacture of the stoppers or covers."

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 2824. An act to amend section 5 of the act entitled "An act to establish a national military park at the battle field of Fort Donelson, Tenn.," approved March 26, 1928;

H. R. 7372. An act to revive and reenact the act entitled "An act granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the Tennessee River on the Waverly-Camden Road between Humphreys and Benton Counties, Tenn.," and

H. R. 7373. An act to revive and reenact the act entitled "An act granting permission to the State Highway Commission of the State of Tennessee to construct a bridge across the Tennessee River at Savannah, Hardin County, Tenn., on the Savannah-Selmer Road."

UNITED STATES *v.* MARSHALL L. MOTT—IN THE MATTER OF JACKSON BARNETT, FULL-BLOOD CREEK INDIAN

Mr. WHEELER. Mr. President, I present an opinion of the United States Circuit Court of Appeals, tenth circuit, in the case of the United States of America, appellant, against Marshall L. Mott, appellee, being an appeal from the United States District Court for the Northern District of Oklahoma, which I ask may be published in the RECORD.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

UNITED STATES CIRCUIT COURT OF APPEALS—TENTH CIRCUIT

No. 136—October term, 1929

UNITED STATES OF AMERICA, APPELLANT, *v.* MARSHALL L. MOTT, APPELLEE—APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF OKLAHOMA

[January 27, 1930]

Mr. Charles B. Selby, special assistant to the Attorney General (Mr. Seth W. Richardson, Assistant Attorney General of the United States, Mr. John M. Goldsberry, United States attorney, and Mr. Louis N. Stivers, assistant United States attorney, were with him on the brief), for appellant.

Mr. Edwin S. Booth (Mr. Charles B. Rogers was with him on the brief) for appellee.

Before, Lewis Phillips, and McDermott, circuit judges.

Lewis Phillips, circuit judge, delivered the opinion of the court.

This suit was brought by the United States in behalf of one Jackson Barnett, a full-blood Creek Indian, to recover of appellee Mott \$15,000 face value United States Government bonds, or their proceeds or value if they have been converted. It is alleged that the bonds are the property of Barnett and that they came into the possession of Mott in this way: Barnett was allotted 160 acres out of Creek tribal lands, which proved to be valuable in oil deposits. With the approval of the Secretary of the Interior the land was leased and large sums came into his possession from royalties paid for the oil produced, and these royalties were invested in United States bonds, amounting in face value to more than \$1,000,000. The bonds were held by the Secretary of the Treasury. Early in 1923 Barnett and his wife went to Washington, and with assistance of counsel sought to induce the Secretary of the Interior to deliver to them \$1,000,000 face value of these bonds, with the understanding that they would be used or disposed of as

hereinafter stated. He finally complied with their request, got the bonds from the Treasury, and \$550,000 in face value were delivered to the Equitable Trust Co., of New York, which was to hold them as trustee and from the income pay Barnett \$20,000 yearly so long as he should live, the remainder of the income until Barnett's death to go to the American Baptist Home Mission Society of New York, and, on the death of Barnett, all of the income to be paid to that society. At the same time the additional \$550,000 face value United States bonds belonging to Barnett were turned over to Barnett's wife, whom he had recently married and who is a white woman. Of the bonds so turned over to Barnett's wife the understanding was that she should deposit \$200,000 thereof in the Riggs National Bank, of Washington, D. C., to be held in trust, and of the yearly income \$7,500 was to be paid to Barnett during his life, the remainder of the income during that time, if any, to be paid to his wife, and upon his death the whole income and various portions of the principal, were from time to time to be also paid to her or to her daughter until all thereof had been so paid. She complied with this part of the arrangement and deposited the \$200,000 in bonds with the bank. Of the remaining \$350,000 face value of said bonds turned over to her she immediately delivered \$150,000 thereof to Harold C. McGugin, who appears to have been the chief adviser in the whole affair, and McGugin delivered \$15,000 face value of said bonds to the defendant Mott. These are the bonds sued for.

Plaintiff further charged that the Secretary of the Interior, McGugin, Mott, and others who participated in the transaction knew that all of the bonds were the property of Barnett and had been purchased for him with royalties on oil taken from his restricted allotment; they also knew that Barnett was a mental incompetent without capacity to make or to initiate the disposition and distribution of said bonds and that the officers of the United States participating in the transaction were without authority of law to dispose of said bonds in the manner stated, and that the disposition made of them was contrary to the purpose, intent, and effect of the law in such case; that Barnett at the time was of the age of about 70 years, illiterate, mentally incompetent, and wholly incapable of managing his own affairs or of caring for his property, and unable to appreciate and understand the nature and extent thereof, and that the delivery and distribution of said bonds was based upon a purported request in writing bearing the thumb print of said Barnett, which by reason of his mental infirmity he was wholly unable to comprehend and understand.

The foregoing facts were alleged in a second amended complaint. The original complaint is not in the record. The first amended complaint contains in substance the allegations of fact that have been stated, and in addition thereto it charged fraudulent conduct and a conspiracy on the part of Barnett's wife, McGugin, Mott, and others to get for themselves a large part of Barnett's property. The second amended complaint omitted the allegations of fraud and conspiracy. The court below held that the tendered pleading did not state any ground for relief and denied the request to file it. This appeal was then taken, the error assigned being the refusal of the court to permit the second amended complaint to be filed. The theory of the suit, disclosed in the tendered pleading, is that the Secretary of the Interior exceeded his power in delivering the bonds, that he was fully advised of the whole plan and purpose of McGugin et al., and the distribution of the bonds to be made after delivery, and that because thereof the bonds are still the property of Barnett.

The act of May 27, 1908 (35 Stat. 312), treats of allotments to members of the Five Civilized Tribes, restrictions on disposition by the allottees and the power of the Secretary of the Interior in relation thereto. Section 1 of the act provides, among other things, "and all allotted lands of enrolled full bloods * * * shall not be subject to alienation, contract to sell, power of attorney, or any other incumbrance prior to April 26, 1931, except that the Secretary of the Interior may remove such restrictions, wholly or in part, under such rules and regulations concerning terms of sale and disposal of the proceeds for the benefit of the respective Indians as he may prescribe." Section 2, in part: "That leases of restricted lands for oil, gas, or other mineral purposes, * * * may be made, with the approval of the Secretary of the Interior, under rules and regulations provided by the Secretary of the Interior, and not otherwise." Section 5: "That any attempted alienation or incumbrance by deed, mortgage, contract to sell, power of attorney, or other instrument or method of incumbering real estate, made before or after the approval of this act, which affects the title of the land allotted to allottees of the Five Civilized Tribes prior to removal of restrictions therefrom, and also any lease of such restricted land made in violation of law before or after the approval of this act shall be absolutely null and void." These provisions of the act established Barnett's legal incompetency to manage his own affairs, and so we need give no consideration to the allegations that he was in fact mentally incompetent. Congress, in the exercise of undoubted power, provided in this act that the Government should control and preserve Barnett's property. This protecting care included not only his allotment but also the income therefrom. *Sunderland v. United States* (266 U. S. 226), *United States v. Brown* (8 F. (2d) 564). The United States,

through its Secretary, took the royalties for mineral produced from his allotment, as his guardian, and held them and the bonds purchased with them in trust for him. Assuming the Secretary had power to remove restrictions on Barnett's disposition of the bonds, as he had to remove restrictions on disposition of his allotment; still the act further provided that disposal of the proceeds, in event restrictions were removed, should be for Barnett's benefit.

The duty of the Secretary, then, did not cease with removing restrictions and thus permitting disposal, but he was also charged with the further duty and authority in the same transaction of seeing that disposal should be made for his benefit. Manifestly, it is the intention of the act to safeguard at all times the property of full bloods, whether allotments or proceeds therefrom, for their benefit. The bonds were Barnett's property and the Secretary, as Government agent, had the power and was charged with the duty of holding control over their disposition for the benefit of Barnett, and for no one else. He had no right to dispose of them as gifts or donations nor consent to such disposal. Of course, no one would argue that reasonable sums for those purposes might not be disbursed with the Secretary's consent, and likewise amounts from time to time for Barnett's proper maintenance. But that is not this case. The statute is an assurance of protection against spoliation. The Secretary's duty and power are not complied with by simply removing restrictions on alienation to a large part, probably here the far greater part of the ward's estate; as part thereof it is further required of him that he agree to the terms of sale and the disposal of the proceeds. He is given no authority to turn over the property or its proceeds to the Indian, nor consent that others might take to themselves the whole or a large part of it. Nor do we know of any authority in him to surrender the trust in which these bonds were held by the Government and consent to their deposit with others as trustees on terms that took from Barnett all property right in the principal and denied to him their full interest yield. As to the \$350,000 given to Mrs. Barnett, she could on delivery make disposition as she might wish, and she at once did so to the extent of almost half. In *Barnett v. Equitable Trust Co.*, 21 F. (2d) 325, Judge Knox ordered that the \$550,000 in bonds held by the trust company be returned to the Secretary of the Interior. It may be conceded that if under facts in a given case it should be debatable whether action of the Secretary was for the benefit of the allottee, his judgment and action ought to control; but we are unable to see any ground on which a claim may be made that the disposition of any of these bonds was for the benefit of Barnett, within the meaning and requirement of the statute. It seems clear to us that the statute is obligatory in that respect and that the Secretary had no right to consent to the transaction. He had the power and was charged with the duty of preventing it. And so we conclude there was arbitrary and unauthorized action by the Secretary violative of the trust, with full knowledge on the part of all participants.

Where an executive officer, under his misconstruction of the law, has acted without or beyond the powers given him, the courts have jurisdiction to restore the status quo ante in so far as that may be done. *Garfield v. Goldsby* (211 U. S. 249, 261, 262); *Work v. Louisiana* (269 U. S. 250, 254); *Santa Fe Pacific R. Co. v. Fall* (259 U. S. 197, 199); *Payne v. Central Pacific Ry. Co.* (255 U. S. 228, 238); *Williamson v. United States* (207 U. S. 425, 462); *Hemmer v. United States* (204 Fed. 898, 905); *Leecy v. United States* (190 Fed. 289, 292).

The decree of dismissal is reversed with directions to reinstate the suit, permit appellant to file its tendered second amended complaint, and give appellees reasonable time within which to file answer.

A true copy.

Attest:

[SEAL.]

ALBERT TREGO,

Clerk United States Circuit Court of Appeals, Tenth Circuit.

By H. A. MCINTYRE,

Deputy Clerk.

CONDITION OF THE COTTON FARMERS

Mr. CARAWAY. Mr. President, I wish to have printed in the Record a number of telegrams dealing with the situation of the cotton growers in my State. Right or wrong, they feel that the action taken by the Federal Farm Board has destroyed them, or practically done so, and they are protesting against it very vigorously. Everything they wanted done has been denied, and the things they did not want done have been done to them. There are a number of these telegrams, and I ask that they may be incorporated in the Record at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The telegrams are as follows:

ENGLAND, ARK., February 10, 1930.

Hon. T. H. CARAWAY,

United States Senator, Washington, D. C.:

Southland will never revive unless Farm Board assists us also.

K. P. VICK.

ENGLAND, ARK., February 10, 1930.

Hon. T. H. CARAWAY,
United States Senator:

Cotton farmers feel that Farm Board has betrayed them.

M. D. GOLDSBY.

ENGLAND, ARK., February 10, 1930.

Hon. T. H. CARAWAY,
United States Senator:

Consider insidious influence causing unwarranted decline cotton values. Please insist Farm Board take action.

HARRY C. EHLERS,
President Citizens Bank.

ENGLAND, ARK., February 10, 1930.

Hon. T. H. CARAWAY,
United States Senator:

Federal Farm Board losing caste day by day. Can nothing be done?
N. B. BEAKLEY.

ENGLAND, ARK., February 10, 1930.

Hon. T. H. CARAWAY,
United States Senator:

Insist Farm Board relieve price situation which is ruinous and unwarranted.

W. T. HAMILTON.

Mr. CARAWAY. Mr. President, I notice that one of the officers of a cotton cooperative association which has been formed has protested that the cotton farmers themselves were the ones who had hurt themselves; that they were liquidating short sales. With all due deference to him, let me say that there is not one farmer in ten thousand who ever sold short. What few people have little enough sense to go into the cotton market in the South, always go long on that market until they are cleaned out. So it comes with poor grace for the cotton corporation and the Federal Farm Board, which themselves named a special broker through which they could sell short and call it a hedge, to complain now that the cotton market has been broken by the farmer liquidating short sales, which, of course, is not true.

Short selling does hurt the farmer, but when the cotton cooperative associations now organized agreed that they would sell short and named one broker through whom they would make the sales, so that anyone who wanted to gamble in the futures market could get positive information that the holders of cotton were selling short and could join in the raid, there was not a chance for the farmer to get anything but bankruptcy out of the situation.

RELIEF IN CROP-FAILURE AREAS OF MONTANA

Mr. McNARY. Mr. President, a few days ago from the Committee on Agriculture and Forestry I reported favorably, without amendment, the joint resolution (S. J. Res. 137) authorizing an appropriation for loans for seed, feed, and fertilizer for farmers in the crop-failure areas of Montana, which conforms with the practice of this body and the Congress and has many precedents. I should like to request the Senator from Utah [Mr. SMOOT] to lay aside the tariff bill temporarily in order that the joint resolution may be considered. I am sure that it will not provoke any debate. I think it can be passed in a minute or two. It is a joint resolution providing \$250,000 to buy seed, feed, and fertilizer for farmers in the crop-failure areas of Montana.

The VICE PRESIDENT. Let it be read for the information of the Senate.

The legislative clerk read the joint resolution (S. J. Res. 137), as follows:

Resolved, etc., That the Secretary of Agriculture is hereby authorized, for the crop of 1930, to make advances or loans to farmers in the crop-failure areas of Montana where he shall find that special need for such assistance exists for the purchase of wheat, oats, corn, barley, and flaxseed, legume seed, for seed purposes, for nursery stock, or feed and fertilizer, and, when necessary, to procure such seed, feed, and fertilizers and sell same to such farmers. Such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each farmer to use the seed and fertilizer thus obtained by him for crop production. A first lien on the crop to be produced from seed and fertilizer obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor. The total amount of such advances, loans, or sales to any one farmer shall not exceed the sum of \$400. Such loans or advances shall be made through such agencies as the Secretary of Agriculture shall designate. For carrying out the purposes of this joint resolution, including all administrative expenses, there

is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$250,000, to be made immediately available.

SEC. 2. That any person who shall knowingly make any false representation for the purpose of obtaining any loan or sale under this joint resolution shall, upon conviction thereof, be punished by a fine in an amount not exceeding \$1,000 or by imprisonment not exceeding six months, or both.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. BINGHAM. Mr. President, before that is done, I should like to ask the Senator from Oregon when he hopes to get the Agricultural Department appropriation bill through the Senate?

Mr. McNARY. Mr. President, on Saturday last I asked unanimous consent to lay aside temporarily the tariff bill in order that I might call up the Agricultural Department appropriation bill for consideration, but the distinguished Senator from Wisconsin [Mr. LA FOLLETTE] objected to the consideration of the bill at that time. Whether he shall continue his objection or not I am not altogether informed.

Mr. LA FOLLETTE. Mr. President, I think, perhaps, I should make my position clear concerning the supply bills. I am anxious that the Senate shall dispose of the pending tariff bill, and I am apprehensive that if the supply bills are brought in one by one and disposed of, the tariff bill will still be pending in the Senate many, many weeks from this time. Therefore I shall oppose any consideration of supply bills or any other legislation which will provoke debate until the tariff bill has been acted upon finally by the Senate.

Mr. JONES. Mr. President, I want to suggest to the Senator from Wisconsin that I hope he will not include in that policy the urgent deficiency appropriation bill, which will be here before very long. I hope he will consider that exemption from his determination.

Mr. LA FOLLETTE. I will consider it when it is presented and will take into consideration the progress we have made in the meantime with the tariff bill. However, for the present I shall object to the consideration of any and all legislation, appropriation bills or other kinds of legislation, which will provoke debate. Of course, I shall not object to the consideration of minor matters which can be disposed of without debate.

The VICE PRESIDENT. Is there objection to the consideration of the joint resolution?

Mr. McKELLAR. What is the joint resolution? I was called from the Chamber.

The VICE PRESIDENT. The joint resolution will again be read for the information of the Senate.

The legislative clerk again read the joint resolution.

Mr. BINGHAM. Mr. President, may I have the attention of the Senator from Wisconsin?

Mr. JONES. Mr. President, if the Senator will yield to me for a moment, I want to inquire how much money is proposed to be authorized in this measure?

Mr. McNARY. The sum of \$250,000.

Mr. BINGHAM. Mr. President, I merely want to call the attention of the Senator from Wisconsin to the fact, in answer to what he has said, that the Senator from Oregon [Mr. McNARY] called up the agricultural appropriation bill on Saturday last. There was no effort made to secure any votes on the tariff bill on Saturday. As a matter of fact, my recollection is that we adjourned fairly early on that day. So far as I know there was very little likelihood of any prolonged discussion of the agricultural appropriation bill, and if the Senator from Wisconsin had not objected it might have been possible by sitting until half past 4 or 5 o'clock to have gotten that bill, which is one of the great supply bills necessary for the welfare of the country, out of the way without interfering with the consideration of the tariff bill in the slightest degree.

Mr. LA FOLLETTE. Mr. President, perhaps I had better make my position a little plainer; perhaps I had better be a little more frank about the situation. I realize that there are Senators in this Chamber who have lost interest in the tariff bill, and, so far as I can individually do so, I am going to object to the consideration of the supply bills in order finally to build a pressure behind the tariff bill that will force the Senate to act upon it.

Mr. WATSON. Mr. President—

The VICE PRESIDENT. Is there objection to the request of the Senator from Oregon [Mr. McNARY] for the consideration of the joint resolution?

Mr. WATSON. Mr. President—

The VICE PRESIDENT. The Chair recognizes the Senator from Indiana.

Mr. WATSON. Mr. President, some time ago we took the position on the floor that we intended to hold the Senate to the

consideration of the tariff bill so far as personal objection would do so. The Senator from Wisconsin made such a statement, and I followed it up by a statement of like character. Since that time I have insisted that we should cling to this one measure until we finish it. After we pass the tariff bill it will be in conference a good while, under the most favorable conditions, and then it will require considerable discussion after it comes back from conference. We know that because of the very nature of the subject that is being treated; and if we begin to sidetrack the measure for all the bills in which Senators are individually interested and which they desire to have considered, or if we begin to sidetrack the tariff bill even for the consideration of appropriation bills, we shall not pass it for many weeks to come. My deliberate judgment is that if we stick to the tariff bill it can be passed by this body by the 1st day of March; but if we do not, nobody can predict what will happen or when it will happen.

Mr. FESS. Mr. President—

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Ohio?

Mr. WATSON. I certainly do.

Mr. FESS. The program which the Senator has announced would not be interfered with if some day we should have a morning hour, would it?

Mr. WATSON. I have said to the Senator from Utah [Mr. Smoot] that, as far as I am concerned, I intend that he shall control the time, so far as any one individual Senator can do so, of course, with the consent of the Senate. The Senator from Utah has stated that he does not want to have a morning hour until the tariff bill shall be out of the way, for the reason that when we have a morning hour and Senators begin to debate some other measure they may go right on debating it after the morning hour is over. Nobody can put a muzzle on the senatorial mouth; after a Senator begins to talk he talks, and he can talk about anything, and he can talk just as long as he wants to talk.

The VICE PRESIDENT. Is there objection—

Mr. WATSON. Wait until I finish, if the Chair please.

I do not know what my friend from Ohio has in his mind, but whatever it is it will not spoil before the 1st of March, will it?

Mr. FESS. What I had in mind, Mr. President, was that we might be able to get some of the more important bills out of the way without interfering with the procedure planned relative to the tariff bill. I join with the Senator from Indiana in not wanting any interference with the consideration of that measure; but I thought we could do what I have intimated without such interference. If it would interfere, of course I should not ask it.

Mr. SMOOT. Mr. President, let us proceed with the consideration of the tariff bill.

Mr. BRATTON. Mr. President, I desire to ask the Senator from Indiana a question.

The VICE PRESIDENT. The Chair recognizes the Senator from New Mexico.

Mr. BRATTON. I want to ask the leader of the majority a question before we leave this subject. I suppose every Member of this body is receiving letters of the most urgent character from constituents in reference to various measures urging that immediate disposition be made of them. I think it is but fair for the Record to show that the tariff bill is the unfinished business before the Senate and that it can be laid aside only by unanimous consent.

Mr. WATSON. That is correct.

Mr. BRATTON. And that an objection from any one or more Members of the Senate will force the continued consideration of the measure by the Senate. Does the Senator from Indiana join with the Senator from Wisconsin in saying that not even shall appropriation bills be considered until final disposition is made of the tariff bill?

Mr. WATSON. I do.

Mr. BRATTON. Then let the Record show that it matters not how urgent other measures may be they must await the disposition of the tariff bill before the Senate will give serious consideration to them.

Mr. WATSON. That is my judgment at this time.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. WALSH of Montana subsequently said: Mr. President, I have received a number of petitions relating to the granting of aid which was involved in the joint resolution which the Senate

so generously passed this morning. I ask unanimous consent that the body of one of those petitions may be incorporated in the Record.

There being no objection, the petitions were ordered to lie on the table and the body of one to be printed in the Record, as follows:

JANUARY 20, 1930.

Hon. THOMAS J. WALSH,

United States Senate, Washington, D. C.

We, the undersigned resident farmers in Valley and Daniels Counties, Mont., hereby respectfully solicit your personal assistance in securing financial aid from the United States Government for sufficient funds to enable us to put in our crops for the 1930 farming season.

This section of the country has suffered severely from short crops during the past three seasons.

In 1927 and 1928 the yield was greatly decreased by early frosts, and on account of the unusual drought during 1929 the crops harvested were not sufficient to pay expenses.

In view of these conditions most of the farmers in this section will be unable to put in a crop in 1930 unless funds are available through Government aid, as there is no other source through which they can obtain the necessary credit. We therefore ask that credit be granted to the extent of \$2 per acre up to and not exceeding 150 acres for each individual farmer, that this request be given immediate attention and that such aid be assured, if possible, by March 15, 1930.

NOMINATION OF CHARLES EVANS HUGHES TO BE CHIEF JUSTICE

Mr. BORAH. Mr. President, I should like to ask the Senator from Utah when he proposes to take up the Hughes nomination?

Mr. SMOOT. Some time after 4 o'clock to-day or at about 4 o'clock.

Mr. BORAH. Shall we say at 4 o'clock?

Mr. SMOOT. Approximately at 4 o'clock. The Senate at that time may be about ready to vote on some amendment which may be pending, and it may take a few minutes after 4 o'clock to accomplish that.

Mr. WATSON. Will the Senator yield to me at that point?

Mr. BORAH. I yield.

Mr. WATSON. A number of Senators called me on the telephone this morning and asked me whether it would not be advisable to take up the Hughes nomination immediately upon the assembling of the Senate this morning. I got in contact with the Senator from Utah and agreed that the nomination might be taken up at 4 o'clock, with the consent of the Senate, but that we ought to go on with the consideration of the tariff bill until the hour of 4 o'clock, or about the hour of 4 o'clock, when we could break in without greatly interfering with the proceedings on the tariff bill.

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. BARKLEY. I offer an amendment to come in on page 40, line 8, before the word "charms," the last word in the line, to insert the word "toys."

Mr. President, the object of this amendment is to reinsert the word "toys" at the place indicated, it having been deleted from the bill by the House, by reason of which action toys are transferred to paragraph 1513 and are made taxable under that paragraph at 70 per cent. The rate which they are now bearing is 45 per cent, carried in this paragraph which I am seeking to amend.

I do not wish to discuss the amendment in any detail. I think certainly there ought not to be any burden laid upon the children of the United States in their ability to purchase toys, and merely by leaving this word out it automatically raises the tariff on toys made of earthenware from 45 per cent to 70 per cent. I am moving to reinsert the word "toys" here, so as to make them dutiable under this paragraph at 45 per cent instead of 70 per cent. That is all I care to say about it.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Kentucky.

Mr. SMOOT. Mr. President, the Senator from Kentucky has stated the facts. Under the present law toys of earthenware are found in paragraph 211, and as the bill was reported by the committee earthenware toys, as the Senator has said, are dutiable at 70 per cent. The amendment will put earthenware toys back in paragraph 211 at a rate of 45 per cent *ad valorem*.

The testimony before the committee, Mr. President, seems to justify earthenware toys being put in with other toys at a rate of 70 per cent. No particular objection to that being done was offered by anyone before the committee, and the committee thought it was proper to put earthenware toys in the same para-

graph with other toys. That is all there is to it. I am perfectly willing that the Senate should take a vote.

Mr. WALSH of Massachusetts. Mr. President, are there many earthenware toys?

Mr. SMOOT. There are a great many of them, but they are very cheap, and so far as the retail price is concerned it would not make any difference at all to the individual buying them if the bill were allowed to remain as it now is. They are so cheap that it would not make a particle of difference; a 5-cent earthenware toy would still cost 5 cents to the purchaser, and a 10-cent earthenware toy could still be purchased for 10 cents.

Mr. WALSH of Massachusetts. An effort seems to have been made through the various sections of the bill to classify all toys at 70 per cent.

Mr. SMOOT. That was the idea.

Mr. WALSH of Massachusetts. What is the suggestion of the Senator from Kentucky?

Mr. BARKLEY. I have offered an amendment to restore the language as it is in the present law, so that earthenware toys will carry a duty of 45 per cent ad valorem.

Mr. WALSH of Massachusetts. The elimination of certain language has put earthenware toys into the general toy paragraph under a rate of duty of 70 per cent, and the Senator from Kentucky is seeking to retain the present duty of 45 per cent on earthenware toys?

Mr. BARKLEY. Yes; that is my motion.

Mr. SMOOT. Mr. President, I wish to call attention to the fact that the House put in the words "10 cents per dozen pieces." The Senate committee struck that out. Ten cents per dozen pieces on these cheap toys would make the rate a great deal higher than 70 per cent. The policy of the Finance Committee was to put all toys into one paragraph.

Mr. WALSH of Massachusetts. Into paragraph 1513?

Mr. SMOOT. Yes. That is what was done.

Mr. BARKLEY. The Senator is referring, however, to toys that are painted, colored, tinted, stained, enameled, and so forth. That is the class of toys in connection with which the words "10 cents per dozen" are used, and not as to toys above that classification, which are affected by my amendment.

Mr. SMOOT. The amendment striking out "10 cents per dozen pieces" covers all of them, because the provision reads:

Pill tiles, plaques, ornaments, charms, vases, statues, statuettes, mugs, cups, steins, lamps, and all other articles composed wholly or in chief value of such ware; plain white, plain yellow, plain brown, plain red, or plain black, not painted, colored, tinted, stained, enameled, gilded, printed, ornamented, or decorated in any manner, and manufactures in chief value of such ware, not specially provided for, 10 cents per dozen pieces and 45 per cent ad valorem.

The words "10 cents per dozen pieces" will apply to toys if that word shall be reinserted in paragraph 211. The Finance Committee struck out the words "10 cents per dozen pieces" because in the cheap articles made of earthenware 10 cents a dozen pieces would frequently equal a 25 or 30 or 31 or 33½ per cent ad valorem increase. That was the reason for the action of the committee.

Mr. BARKLEY. The reason why the word "toys" was taken out of the paragraph by the House was to remove toys from the 10 cents a dozen provision, but that provision has been eliminated, so that reason does not any longer exist, and a restoration of the word "toys" in this paragraph will simply make toys made of earthenware bear the same rate of duty that is borne by the other earthenware products which are described in paragraph 211.

Mr. SMOOT. Would it not be better to have all toys in one paragraph?

Mr. BARKLEY. Not at all. I think one of the vicious provisions not only in this bill but in the present law is the grouping of a lot of commodities that have no relation one with the other, so far as cost of domestic production or cost of foreign production or anything else is concerned, in one paragraph bearing the same rate of duty. Because these toys happen to be made of earthenware is no reason why they should be put in a paragraph bearing the 70 per cent rate which is borne by toys made of rubber or wood or rags or any other material that goes into the manufacture of toys. The toys covered by my amendment are earthenware products, and presumably the same relationship exists between the cost of production at home and abroad of the earthenware toys referred to that exists with reference to other earthenware products of similar character.

Mr. SMOOT. Let us have a vote on the amendment.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Kentucky. [Putting the question.] The ayes seem to have it.

Mr. BINGHAM. Mr. President, did the Chair say, "The ayes seem to have it"?

The VICE PRESIDENT. The Chair said, "The ayes seem to have it."

Mr. BINGHAM. I ask for a division.

On a division, the amendment was rejected.

Mr. BARKLEY. Mr. President, I intended to offer the same amendment on page 41; but if Senators who are here are not sufficiently interested to stand up when there is a division, I do not care to waste any further time of the Senate in offering amendments. Therefore I shall not offer the one I intended to offer on page 41; but I do desire to offer an amendment to section 219. I presume that the same fate will meet it that met the last one, but I feel it my duty to offer it nevertheless.

This is an amendment that applies to the whole paragraph—page 47, paragraph 219. I will say to the Senator from North Carolina [Mr. SIMMONS], who is interested in mica, which comes ahead of this, that if he is prepared to go on with his amendment I will wait until he has presented it. I understood that he had one to offer on mica.

Mr. SIMMONS. I yield to the Senator.

Mr. BARKLEY. Mr. President, on page 47, line 9, before the word "not," the last word in the line, I wish to insert the word "unpolished."

In line 10 I wish to change the figures "1⅞" to "1¼."

In line 12 I wish to change "2⅞" to "1¾."

In line 14 I wish to change the figures "2⅞" to "1½."

In line 15 I wish to change the figures "2⅞" to "1¼."

In line 17 I wish to change the figure "3" to the figure "2."

In line 19 I wish to change "3⅞" to "2¼," and to change "3¼" to "2½."

Those amendments restore the duty on window glass to the figures which window glass bore prior to the issuing of the presidential proclamation increasing the tariff on window glass under the flexible provisions of the tariff act of 1922.

Mr. BINGHAM. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Connecticut?

Mr. BARKLEY. I yield.

Mr. BINGHAM. Will not the Senator tell us what are the actual present rates on these different items?

Mr. BARKLEY. The actual present rates are the rates that are carried in the bill, which I seek to change.

Mr. BINGHAM. Then the Senator's motion is to reduce the present rates?

Mr. BARKLEY. The motion is to reduce the rates from the presidential proclamation rates to those of the 1922 act.

Mr. BINGHAM. But what the Senator is trying to do is to lower the actual existing rates, whether they come by way of the 1922 law or by way of the presidential proclamation?

Mr. BARKLEY. What I am seeking to do is to restore the rates fixed by Congress, which means a reduction from the rates fixed by the President.

Mr. BINGHAM. But what the Senator is trying to do is what he tried to do the other day—to strike a blow at an existing business by reducing the existing rates?

Mr. BARKLEY. Mr. President, I did not yield for any such suggestion, because I am not trying to strike a blow at anybody. I am undertaking to strike a blow in behalf of the American consumer, which usually finds little sympathy from the Senator from Connecticut.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. SMOOT. I thought the Senator was through.

Mr. BARKLEY. No; I am not through. I have not started.

Mr. President, the President's proclamation increasing these rates on window glass was issued in response to, or in consequence of, an investigation made by the Tariff Commission at the request of certain manufacturers of window glass in the United States. I hope to demonstrate that the facts which existed at the time of the investigation by the Tariff Commission, upon which it based its recommendations, do not any longer exist.

The manufacture of window glass has undergone a very remarkable transformation in the United States in the last few years.

There are three methods known to the glass world of making window glass, and, for that matter, other forms of glassware.

The first method, which was in vogue for many years, was what is known as the hand-blown method of manufacturing window glass, which is entirely obsolete at this time; but it was not obsolete in 1922, when the present tariff law was enacted. A very large proportion of the window glass and other glass manufactured in the United States at that time was made by the old-fashioned hand-blown process.

Following 1922, following an invention which completely revolutionized the method of manufacturing glass, the whole situa-

tion in this country and in the world was completely changed with reference to the manufacture of this product. From the old-fashioned hand-blown process they developed to the machine cylinder process, by which a quantity of molten glass was drawn up into a cylinder, and after it had undergone certain processes of cooling and of manufacture was laid out upon a table, cut into strips, and then reheated to a certain extent in order to make it possible to flatten out the various portions of the cylinder into a flat strip of glass, out of which they cut window glass.

Mr. WALSH of Massachusetts. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Massachusetts?

Mr. BARKLEY. I do.

Mr. WALSH of Massachusetts. Is that the process used by the American Window Glass Co., who are the petitioners here for increased duties?

Mr. BARKLEY. That is the process that was used by the American Window Glass Co. at the time the Tariff Commission made its investigation; and the cost basis for the domestic manufacture of window glass stated by the Tariff Commission was founded very largely upon this process of manufacturing window glass, which even the American Window Glass Co. has now abandoned.

I make that statement because I have here clippings from trade papers interested in the glass industry showing that even the American Window Glass Co., which appealed to the Tariff Commission and the President for an increase of rates, has abandoned this old-fashioned, antiquated method of making window glass, and has now installed the modern process by which window glass is made much more cheaply and much more rapidly.

Mr. WALSH of Massachusetts. Mr. President, is the modern process called the sheet-drawn process?

Mr. BARKLEY. The modern process which is now almost universally employed by the manufacturers of window glass is known as the sheet process.

Mr. WALSH of Massachusetts. The sheet-drawn process?

Mr. BARKLEY. Sheet drawn; yes. It is the sheet-drawn process instead of the cylinder-drawn process.

Mr. WALSH of Massachusetts. The hand-blown process and the machine-cylinder process are both antiquated?

Mr. BARKLEY. The hand-blown process and the cylinder process are both antiquated, and a new invention has now been put into operation. Instead of the window glass being drawn into a circular cylinder and then flattened out, after it has been cut into strips, by this old process, they now have what is known as the sheet-drawn process, by which the glass is drawn in the sheet already flattened, and by a process that is much more rapid and much more economical than either the hand-blown or the cylinder-blown process that was in operation prior to and at the time of the enactment of the present law, and which was in operation very largely in this country when the Tariff Commission made its report.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. My information is that over two-thirds of the domestic production in 1928 was by sheet-drawn methods, as compared to 42 per cent in 1927, showing how rapidly the sheet-drawn methods have developed in this country. My information is also to the effect that all the competitive importations from Belgium are produced by the sheet-drawn method. Am I correct?

Mr. BARKLEY. The Senator is correct. I have here the report of the Tariff Commission in which they describe these various processes of making window glass. In one paragraph, under what they call "cylinder glass," they say:

Both in this country and abroad the hand-cylinder method of making window glass was the accepted method for many years, but at the present time, though still used, is rapidly being abandoned because of the development of mechanical methods.

And I will say that the hand process has now been entirely abandoned. There is not a factory left in the United States using the hand process of making window glass. In 1926, the year in which the Tariff Commission made its investigation, less than 2 per cent of the total amount of window glass produced in the United States was made by this old-fashioned, hand-blown process.

Further in the Tariff Commission's report it says:

In 1926 about 60 per cent of the window glass produced in the United States was made by the machine-cylinder process, and over half of this by one company.

That was the American Window Glass Co.

Most of the remainder was also produced by mechanical means by processes that fall under the general designation of sheet glass as contrasted with cylinder glass.

Then they go on and describe the method of producing window glass by the sheet-drawn process, which demonstrates, just as modern inventions and modern machinery demonstrate in the manufacture of all sorts of technical products, that ultimately old-fashioned, out-of-date, antiquated methods must give way to modern methods of manufacturing these products.

The Tariff Commission did not investigate the comparative cost of producing window glass in Belgium until 1927, a year after they investigated the cost in the United States; so that the Tariff Commission's investigation and its report to the President is based upon the production of glass in Belgium very largely by modern methods, while at the same time, according to their own statement, 60 per cent of the window glass produced in the year 1926, when they made the investigation in the United States, was produced by the old-fashioned method which I have described.

Mr. SMOOT and Mr. WALSH of Massachusetts addressed the Chair.

The VICE PRESIDENT. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, if the Senator will turn to page 29 of the report of the United States Tariff Commission on window glass he will observe a comparison of the weighted average cost of production per pound for plants using the sheet-drawing process in the United States and plants using the sheet-drawing process in Belgium. That shows that the total cost, with computed interest, was 3.86 in the United States and 1.90 in Belgium. That did not take into consideration the old method of drawing. They were using the sheet-drawing process in both cases. If that report is true, then the rates here asked for are justified.

Mr. BARKLEY. But the Senator will not deny the fact—I am coming to that a little bit later—that the Tariff Commission's investigation in 1926 included only three American factories making glass by the sheet-drawn process, compared to a total of 24 which they investigated, upon which they based their recommendations; and, of course, if only 3 or 4 out of 24 were then using the modern process, it would not be fair to base a tariff law upon a process that is now obsolete, and no longer in use.

Mr. SMOOT. But the comparison is made as to only the American firms that were using the sheet-drawing process.

Mr. BARKLEY. I think the Senator is mistaken about that, because those who opposed this increase made the point before the Tariff Commission that these old-fashioned methods were being replaced by modern machinery, and that it was unfair to base a tariff recommendation to the President upon methods that were antiquated and going out of date and being replaced, and the Tariff Commission replied that it was not the business of the Tariff Commission to adopt a policy but only to report to the President the facts they found as they existed at the time they made the investigation.

Mr. SMOOT. The Senator has not disputed that statement. The only thing to which I am now calling attention is table 27, on page 29 of the United States Tariff Commission report to the President of the United States. The heading is "Window glass. United States and Belgium. Comparison of weighted average cost of production per pound for plants using the sheet-drawing process of 1926."

There were only a few American plants using it, as the Senator has said, but in making a comparison they took only those that were using it, and the comparison between the 3 or 4 or 5 that were using the process and the plants in Belgium using the same process was as 393 as to 191. Since that time, of course, 86.7 per cent of the glass manufactured in the United States now is made in plants using the sheet-drawing process and only 13.3 per cent is made in plants in the United States using the old process. That is the condition to-day. So that the Senator can plainly see that American manufacturers have changed just as quickly as possible for them to do so, and, with the exception of the 13 per cent, they are all now manufacturing glass with the new sheet-drawing process.

Mr. BARKLEY. I want to discuss the figures on page 29 when I get to that.

Mr. WALSH of Massachusetts. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Massachusetts?

Mr. BARKLEY. I yield.

Mr. WALSH of Massachusetts. I want to see if I am following correctly the able argument of the Senator from Kentucky. The first point he makes is that the manufacture of glass under the process known as hand blown is obsolete?

Mr. BARKLEY. That is correct.

Mr. WALSH of Massachusetts. His second point is that the manufacture of glass under the process known as the machine-cylinder blown is becoming obsolete?

Mr. BARKLEY. That is becoming and has practically become obsolete.

Mr. SMOOT. It is obsolete.

Mr. BARKLEY. It is really obsolete; the American Window Glass Co. has abandoned the last plant in which it used the cylinder process.

Mr. SMOOT. That is true.

Mr. WALSH of Massachusetts. The third process, which is the modern one, is the sheet-drawn process. I assume the Senator has outlined those methods for the purpose of having us keep clearly in mind the question whether we are going to impose a duty to protect an obsolete process, or whether we are going to levy a duty here based upon knowledge and information in reference to the latest and most modern process in vogue.

Mr. BARKLEY. That is the position which I am taking.

Mr. WALSH of Massachusetts. And I assume the Senator is going to claim that the Tariff Commission in its previous investigations found certain facts based upon a process of making glass that has now become and is becoming obsolete?

Mr. BARKLEY. Yes.

Mr. SMOOT. They made a report on both of them.

Mr. WALSH of Massachusetts. Have they made one on the sheet-drawn process?

Mr. SMOOT. Yes.

Mr. WALSH of Massachusetts. What date was that?

Mr. SMOOT. That was in 1926.

Mr. BARKLEY. I want to discuss that table on page 29 when I get to that report.

Mr. SMOOT. The Senator does not deny that that report was made, does he?

Mr. BARKLEY. I do not deny that those figures are on page 29 of the Tariff Commission report, but I do deny that those figures constitute a fair comparison between the manufacture of this product in Belgium and in the United States. I do deny that certain figures there ought to be taken into consideration in connection with fixing the difference in the cost in Belgium and the United States, because they have made, in my judgment, more of an allowance for certain elements in order to make out a wider difference between the American and the Belgian costs under this modern method than I think is justified by the facts.

Mr. SMOOT. I take it for granted that their report was made upon an investigation, and that there was no guessing at it at all. If the Tariff Commission makes reports based upon guesses, then the reports are no good. But this report shows, according to the Tariff Commission, just what the difference is in the cost of direct labor, power and heat, raw materials, manufactured materials and supplies, repairs and maintenance, general plant overhead, general office overhead, and the selling expenses. All expenses attached to the manufacture, as well as the selling expenses, are taken into consideration in the report.

Mr. WALSH of Massachusetts. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield further?

Mr. BARKLEY. I yield.

Mr. WALSH of Massachusetts. I assume the Senator from Kentucky is going to insist that we consider this question from the standpoint of the efficiently organized and efficiently producing glass companies.

Mr. SMOOT. That is right.

Mr. WALSH of Massachusetts. That, therefore, he is going to give us some figures with reference to the difference in the cost of production of the sheet-drawn here and in Belgium.

Mr. FESS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FESS. I wanted to make inquiry of the Senator as to whether the efficient machinery to which he refers is not largely produced under patents that are owned in Europe, in Belgium. That is my understanding as to that.

Mr. BARKLEY. The Senator is mistaken about that. There is a patent owned in Belgium, known as the Fourcault patent, which is now being used by the American Window Glass Co. in the installation of modern machinery in their plants. But there is another process, known as the Libbey-Owens process, which is used by the Libbey-Owens Sheet Glass Co., who produce about

40 per cent of the window glass used in the United States. That is an American patent, owned by the Libbey-Owens Co.

Mr. FESS. The information I have received is from the Libbey-Owens people, and it was to the effect that many of these patents are owned in Europe.

Mr. BARKLEY. There are only two patents; that is, the Libbey-Owens patent and the Fourcault, which is a Belgian patent.

Mr. FESS. Another question I want to ask the Senator. The President's proclamation took effect about a year ago, I think, about the 16th of February. Is it not a fact that the importations from Belgium have been very large since the new rate has gone into effect?

Mr. BARKLEY. I am going to give those figures a little bit later. I have not them right here.

Mr. FESS. That would be a significant fact to consider in connection with the decision as to whether that rate should be maintained.

Mr. BARKLEY. Mr. President, in order to show the rapidity with which the old-fashioned methods have been abandoned, I wish to state that in 1926 there were made 232,722,000 square feet of machine cylinder window glass, 94,000,000 feet made by the Libbey-Owens process, which is the modern method of making, and by the sheet-drawn process, and by the Fourcault, which is the Belgian patent, 30,000,000 feet.

In 1927, the following year, the production by the cylinder process had fallen from 232,000,000 to 170,000,000. The amount made under the Libbey-Owens process had increased from 94,000,000 to 124,000,000 feet, and the amount made under the Fourcault process had increased from 30,000,000 to 37,000,000, showing that in one year the change from the old-fashioned to the new-fashioned method of making window glass had undergone such a complete transformation that even in 1927 the new-fashioned method was encroaching rapidly upon the machine cylinder process.

Mr. SMOOT. And to-day there are none of the mills running under the old process. A complete change has come about.

Mr. BARKLEY. Yes; but I am undertaking to show that whatever the figures submitted by the Tariff Commission as to the respective costs of making glass by the new process in Belgium and the process followed in the United States, their composite recommendation and the facts upon which the President based his proclamation were not entirely founded upon the new process, but were based upon conditions that existed in the country and in the industry at the time.

In order to show that window glass is not entitled to the increased rate which the President put into effect by his proclamation, I wish to show that, as compared with the prewar and postwar prices of commodities in the United States generally, window glass has not suffered by comparison.

We find the following facts, based upon the prices in 1928, as to the average increase in the cost of commodities figured on the standard adopted by the nations of the earth as a basis under what they call the index of commodity prices, which is recognized by all economists in all nations, taking the year 1913 as the basis, the price in that year representing 100 per cent.

Taking 1913 as the basic year, we find that, by comparison, the average increase in costs of all commodities in the United States was 40 per cent. In other words, the average of prices in the United States in the year 1928 as compared with 1913 was as 140 compared with 100.

We find in the matter of farm products that the comparison in 1928 was as 148 to 100. With reference to foods, it was as 157 to 100. With reference to hides and leather, it was as 178 to 100. With reference to textile products, it was as 168 to 100. With reference to fuel and lighting it was as 135 to 100, a little below the postwar normal. As to building materials, which item includes, of course, brick, cement, glass, and lumber, all the materials that go into the building industry of the United States, compared with a normal increase of from 100 to 140 for all commodities, we find that building material occupies the position of 170 per cent, while house furnishings occupy the position of 172 per cent.

Window glass, therefore, as a part of the material going into the construction of buildings in the United States, is now about 30 per cent higher than the normal average prices for all products in the United States in 1928.

An investigation into the cost of producing window glass in this country and in Belgium was made by the Tariff Commission as of the year 1926. The factory costs in this country, f. o. b. plant, under the sheet-drawing process, were \$3.56 per 50 square feet, and under the cylinder process \$4.21 per 50 square feet. Inasmuch as the factory price, which is, of course, f. o. b. the plant, is shown to have been \$3.90 in 1926 per 50

square feet for Grade A single strength, it is easy to see why the Libbey-Owens Co., which uses now and has used altogether the modern process of sheet-drawing manufacture of window glass, makes such enormous profits while the American Window Glass, which used at the time the obsolete cylinder method, was here asking for an increased tariff upon window glass. It was the handblowers in 1922 who were here asking for an increase in the tariff on window glass because they were then in competition with the American Window Glass Co., which was using the cylinder process in 1922, which was then an improvement over the hand-blown process.

The American Window Glass Co. did not come here in 1922 and ask for any increase in the tariff on window glass. Only those who were seeking to perpetuate the out-of-date methods of making window glass were here in 1922, but reversing the position and carrying it into effect as logically, the American Window Glass Co., which was using the antiquated process, in 1926 was asking the Tariff Commission and the President to increase the rates in order that they might retain those antiquated, old-fashioned and expensive methods of making window glass as compared to the Libbey-Owens process then in vogue and in use by that company, which then made and is now making about 40 per cent of all of the window glass produced in the United States.

The two companies, the American Window Glass Co. and Libbey-Owens Sheet Glass Co., produced between 70 and 80 per cent of all the window glass made in the United States. The American Window Glass Co. has been driven, by the pressure of domestic competition, by the cheaper methods of making window glass than the sheet-drawn process, to abandon its out-of-date methods and adopt the improved modern methods which even in 1926 were in use by the Libbey-Owens Co., which now makes about 40 per cent of all of the window glass and has been able to make enormous profits in competition with Belgian glass made by the same process during all of its existence since it was incorporated as a glass factory.

Mr. FESS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Ohio?

Mr. BARKLEY. I yield.

Mr. FESS. I would like to have the Senator's reaction on this question. Expressing sympathy with his view that we should not unnecessarily protect an outworn system, because I have considerable sympathy with that idea, yet it costs, according to statistics, something like 400 per cent more for wages here than in Belgium. We will assume that the modern glass manufacturer under the new system of labor-saving machinery might be able in a degree to compete with this lower cost in Belgium, but it will be assumed without contradiction that the other companies can not. I want the reaction of the Senator to this inquiry: Does the Senator think that it is a wise course to permit the cheaper-produced glass in Belgium to drive out the other companies which can not compete with that glass on the basis which the Senator says the modern company can and which the more ancient companies can not? I do not mean companies using machinery.

When have we come to the place where we only protect that particular industry which can protect itself because of modern machinery? Does the Senator's theory go to the extent that he will not protect the needy industry but permit it to be driven out by foreign competition? I am assuming that all the Senator says about modern machinery is true, although I doubt it very much. My facts that come from other sources raise that question. But assuming it is all true, does the Senator think it is sound policy to drive out of business all the companies in the country that have not been able to install the Libbey-Owens method?

Mr. BARKLEY. I certainly would not like to see all the companies that have not installed the Libbey-Owens method be put out of business, but I certainly take the position that companies which persistently and stubbornly refuse to adopt the modern methods, so they could compete with their own domestic competitors on a scientific and economic basis, ought not to be allowed to appeal to the Congress for artificial stimulation in the form of tariff legislation that would tend to restrict or prevent importations when, as a matter of fact, ultimately they must be put out of business by the domestic competition unless they put their processes upon the same basis of efficient and economic production as their competitors in the United States and without regard to any tariff, which has already been demonstrated by what has happened even since the President's proclamation.

The American Window Glass Co., producing between 30 and 40 per cent of the entire product of the United States, in spite of the increases carried in the President's proclamation, has been

forced by economic conditions and further by domestic competition to abandon the methods used by the company in 1926 and 1927 and is now installing this modern process in all its factories which are still operating, showing that, without regard to the tariff, industries must keep pace with modern development for the economic and scientific production of the things we need in this country.

Mr. FESS. The Senator's argument would apply equally as strongly to the chain-store movement, because that seems to be in the interest of modern efficiency, where the chain stores are driving out the individual stores. I have a good deal of sympathy with what the Senator said. I do not know just how we can reach methods of that kind by legislation, but I would not go to the extent of putting out of business a less effective industry in any great amount of its output by competition with the countries having cheaper labor.

Mr. BARKLEY. I hardly think the Senator's illustration of chain stores is applicable. I appreciate the encroachment made by chain stores upon the local independent merchant, and I deplore that encroachment, and yet after all I have wondered whether there is anything that can be done by legislation to prevent the economic development of that situation. I read a decision of the Federal court out in Indiana a few days ago interpreting a statute which had been enacted by the Legislature of Indiana undertaking to put a tax on chain stores in the State of Indiana for the purpose of either curbing or handicapping or prohibiting their existence by reason of taxation. The Federal court decided, of course, that it was an unconstitutional invasion of interstate commerce, that it was more or less a discriminatory tax not placed upon all merchants of the same type.

After all, appreciating as I do the evils of the chain-store system, the driving out of the independent local merchant who contributes not only to the enterprise of his community but to its educational and moral and civic welfare, which can not always, if ever, be said of the chain stores, managed and manipulated and operated from some distant point, yet I do not know whether there is any possibility of undertaking to cure the situation by legislation, because if we undertake it by taxation we run up against the constitutional provision that taxes must be uniform throughout the United States.

Mr. FESS. If the Senator will permit me further, I did not mean to get into that particular field. I used it simply as an illustration of the invasion of modern methods in industry which make the problem which the Senator and I have before us.

Mr. BARKLEY. We can not deny the people the right to have the benefit of every modern development. They are entitled to the benefit of every process by which the necessities of life are cheapened to them, taking always in consideration quality as a part of the price which they must pay for the necessities of life. But I do not believe that we are justified in placing an embargo upon the importation of an article into the United States made by modern methods abroad and made very largely by modern methods at home in order that we may artificially stimulate some particular factory or some particular portion of an industry that has not had sufficient foresight or progress to adopt modern methods so as to compete not only with the foreign product but with other domestic products in the United States.

Mr. FESS. I had stated a moment ago, assuming that the facts upon which his statement was made are true, I wanted to know the Senator's view of it. However, the facts which come to me both as to the glass industry and the pottery industry are contradictory of his statement about the production through outworn machinery and are to the effect that the statement is not well founded.

Mr. BARKLEY. Does the Senator doubt the statement I make that the outworn methods of producing glassware have been practically abandoned in this country and that modern processes have been installed?

Mr. SMOOT. That is entirely correct. There are none of them left.

Mr. BARKLEY. That is true, and if the Senator disputes that statement he is evidently misinformed by somebody, because it is admitted by those who fought the increase in the tariff and by their own actions. I have here clippings of as late as six or eight weeks ago, taken from a trade journal interested in the glass industry, saying that the American Window Glass Co. has abandoned its last old-fashioned factory and closed it down for a period of two or three months in order that it may install modern machinery.

Mr. FESS. That changes the whole situation as to the Senator's argument. I thought the Senator was arguing against the application of the duty because they were retaining the outworn machinery.

Mr. BARKLEY. The Senator can not put into my remarks a misinterpretation by a trick. I do not think he intends to do so.

Mr. FESS. The Senator from Ohio does not propose to do that.

Mr. BARKLEY. But he misinterprets what I am undertaking to say. These tariff rates were proclaimed by the President as based upon the condition of the industry when 60 per cent of it was using outworn machinery. Since that proclamation the outworn machinery has been entirely abandoned and now all the makers of window glass are using the modern processes, and therefore we ought not to continue in effect the increased tariff based on outworn methods when they have been abandoned.

Mr. FESS. Notwithstanding the fact that imports from Belgium under the present tariff rate are very large?

Mr. BARKLEY. They have not increased in proportion to the increase in the domestic production of window glass, I will say.

Mr. GOFF. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from West Virginia?

Mr. BARKLEY. I yield.

Mr. GOFF. Am I to understand the Senator from Kentucky to contend not only in support of his amendment but that his amendment is intended to penalize the corporations which can not raise the capital necessary to install in their factories all such modern methods?

Mr. BARKLEY. My amendment is not intended to penalize anybody, but it is intended to prevent the penalization of the American people based upon the methods of industry which were in vogue at the time the increase was put into effect. I will say to the Senator who always has a sympathetic note for the man who can not succeed regardless of the causes of his failure, and I join with him in the sympathetic note, that even under the increase in the tariff carried by the President's proclamation these little concerns, to which he refers as being unable to install the modern machinery, have already gone out of business and they can not restore their business by the old-fashioned methods and in competition with the Libbey-Owens Co. and the American Window Glass Co., both of whom make about 80 per cent of the entire product. I doubt if they could successfully compete even if they had money to put in modern machinery.

Mr. GOFF. Then, as I intended to ask the Senator in my second question, if it is necessary, according to his contention, that we should admit imports, why should we not allow the reduction to come about from domestic competition rather than by competition from abroad?

Mr. BARKLEY. Of course, there is ample domestic competition. That is one of the reasons why the small, out-of-date factories can no longer exist. It is the same as in the steel industry. A similar question arose in connection with the old-fashioned merchant furnaces producing pig iron. The facts showed that their condition was not due to importations or foreign competition but to their inability to compete with the great steel factories of the United States that produce pig iron by modern methods. It is merely one of the developments of modern trade, involving "the survival of the fittest." That always is true and always will be true. It is true in agriculture; it is true in merchandising; it is true in banking; it is true in law; it is true in medicine; it is true even in the pulpit. The modern preacher who proclaims the gospel according to modern ideals will usually find an audience more responsive and more numerous than the preacher who necessarily limits himself to the methods which were in vogue in the days of our forefathers.

Mr. GOFF. In other words, the Senator, then, means to say that the modern mind tends or runs rather to the immaterial and disregards the logical.

Mr. BARKLEY. Oh, no; quite to the contrary. I think the modern mind tends very much to the material and discards the immaterial.

Mr. HARRISON. Mr. President—

Mr. GOFF. Let me proceed to ask just one more question. The Senator from Kentucky said, in reply to a question propounded by the Senator from Ohio [Mr. Fess], that domestic competition would drive these plants out of existence and for that reason why not permit imports to come in? If that be the Senator's contention, I wish to know why we do not allow this competition, which is bound, as the Senator contends, to drive out of existence the plants that do not adopt the modern methods of production, to come from domestic industry rather than from foreign competition?

Mr. BARKLEY. I take the position—probably the Senator from West Virginia will not agree with it—that we are entitled to some competition. I do not believe in embargoes; I

do not believe in tariffs high enough to prohibit or prevent competition; but the competition that comes in from Belgium in the way of window glass is not sufficient to drive out of business any efficient, economically conducted glass factory in the United States. It has not done so, and it will not do so. The question here is whether we are going to retain a tariff rate based upon inefficient methods or whether we are going to give the American people the advantage which they are entitled to enjoy of modern methods of producing this article.

Mr. GOFF. May I say to the Senator from Kentucky, if competition is to bring about this millennium, why not have it in the form of domestic competition, which invests and employs American capital and American labor, rather than permit foreign competition to come in and by destroying American industry accomplish the same result?

Mr. BARKLEY. We do have domestic competition; we have it all the time; and we shall continue to have it.

Mr. GOFF. Yes; and—

Mr. BARKLEY. The question here is whether we are going to deny the American people any degree whatever of competition from the little Kingdom of Belgium. The Senator's argument leads logically to the conclusion that he is in favor of an embargo, or a tariff so high as to prohibit importations, so that all the competition we should have would be purely American competition. I do not entertain that view.

Mr. GOFF. My view is this: If competition be necessary to bring about the desired result for the American people and the American consumer, I prefer domestic competition, with the benefits to American capital and American labor, rather than the accomplishment of the same result by foreign competition.

Mr. BARKLEY. Then, the Senator favors an embargo, a tariff wall that will prohibit any imports at all into the United States, and, by the same reason, prevent all exports from the United States to other countries?

Mr. GOFF. That is an entirely different question, and, of course, our logical conclusions are not helped by calling names or giving new surnames to the different views which have been advanced. I do not see that the question of embargo is involved, but if it be necessary in order to protect American capital and American labor to have an embargo, and this is an embargo—then I am for an embargo. I am for America first and any other country outside of America second.

Mr. BARKLEY. Yes.

Mr. GOFF. And if I can accomplish the same result by the investment of American capital and the employment of American labor I am going to contend for that, no matter what its effect may be on a foreign country.

Mr. BARKLEY. I do not yield to the Senator from West Virginia in my loyalty to America first, but, in undertaking to apply the doctrine of America first, I desire also to keep in mind not only the great mass of millions of American people who are consuming these products but the millions of American working men who are engaged at this hour in producing American products, to find markets for which we are employing the Commerce Department, the merchant marine, all our commercial attachés, our ambassadors, our ministers, and other diplomatic and consular officials around the world.

I do not believe that we can adopt the policy of saying that we are for America first when it comes to selling our commodities to some little nation, but when it comes to that little nation selling something to us, we do not propose to buy from them, though we are going to make them buy from us. No such policy as that can be adopted by a nation in these modern days, and I am unable even to ascribe to the Senator from West Virginia a belief in any such doctrine. As I said on yesterday, to-day more American workingmen are employed in the production of products which we are sending to the nations of the world than are affected by importations from other nations, because our exportations exceed our importations by between two and three billion dollars a year. If we are going to raise the tariff wall so high that countries such as Belgium, which sends us \$76,000,000 of goods a year and at the same time buys from us \$111,000,000 worth a year, can not sell their products within our borders, where are we going to find a market for our own surplus products? If we can not find a market for our two and one-half billion dollars' worth of surplus products over and above what we buy, where are millions of men, American workers, going to find employment? If they can not find employment, they will join the army of unemployed that already exists. I can not, for the life of me, understand how men can consistently argue that we are not morally bound to buy something from other countries in order that we may sell what we have to sell them.

Mr. GOFF. I think that is quite true if it meets the situation; but the Senator's contention is this: He will allow for-

foreign importations to enter into American competition in the American market and close the plants which have not the capital with which to employ and install modern methods, and by the very logic of that position he does and must increase the number of the unemployed in this country.

Mr. BARKLEY. Oh, no; the Senator unintentionally misunderstands my position. I take no such position as that; but I do take the position that the American people who boast of their modern inventions, who boast of the fact that we have given to the world 85 per cent of the inventions which have modernized and revolutionized modes of living throughout the world, ought to be entitled in their own country to some of the benefits of that inventive genius of theirs, so that they may be able to modernize processes of manufacture and enjoy not only greater production but a reduction in price.

Mr. HARRISON. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Mississippi?

Mr. BARKLEY. I yield to the Senator from Mississippi.

Mr. HARRISON. One of the best evidences as to the effect of a tariff rate structure is the profits of the concerns operating under it in the United States. In looking over the returns of the company which the Senator stated produces 40 per cent, I believe, of this particular commodity in the United States, I find that the Libbey-Owens Co., the largest producer of this article, was organized in 1916, when the same tariff rate as is now proposed by the Senator from Kentucky in his amendment was in effect, with a \$2,000,000 capital, and in 12 years it has grown to have a capital of \$22,000,000.

During the last four years the Libbey-Owens Co. has made net profits of \$11,470,000. In 1920 the Libbey-Owens Co. declared a stock dividend of 25 per cent; in 1922 it declared an 8 per cent regular cash dividend; in 1923 it declared an 8 per cent cash dividend and an extra 4 per cent cash dividend; in 1924 it declared a regular cash dividend of 8 per cent, a 2 per cent extra cash dividend, and 50 per cent in stock dividends; in 1925 it declared an 8 per cent regular cash dividend and 2 per cent extra in cash; in 1926 it declared a regular 8 per cent dividend in cash, 4 per cent extra in cash, and 20 per cent more in stock dividends; in 1927 it declared an 8 per cent regular cash dividend and a 4 per cent extra dividend in cash; and in 1928 it declared a regular 8 per cent dividend in cash. Notwithstanding this, the common stock of the company has increased from a par value of \$25 to its present market value of over \$200 a share.

Mr. BARKLEY. In addition to that, I will say to the Senator from Mississippi, that, notwithstanding the large cash and stock dividends declared over the period covered by his remarks, at the end of September 30, 1928, the Libbey-Owens Sheet Glass Co. had a surplus of \$8,195,350. So, beginning with the very organization of this modern window-glass factory, operating under the rates of tariff which I am proposing—the rates carried in the act of 1922—this concern making 40 per cent of the American product—has, without the addition of a single outside dollar of capital, grown enormously in size, paid large cash dividends and stock dividends, and now has a surplus of nearly \$10,000,000 in its treasury.

Mr. VANDENBERG and Mr. FESS addressed the Chair.

The VICE PRESIDENT. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield first to the Senator from Michigan.

Mr. VANDENBERG. I merely wish to turn to the Senator for information. Can he tell me to what extent the new process is a labor-saving process?

Mr. BARKLEY. My information is that the new process as compared to the old process is a labor-saving process probably to the extent of one-third. In other words, by reason of better production and, of course, the use of fewer men in connection with it as compared to the old method, there has been a reduction in the cost of producing this article of from one-fourth to one-third.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. BARKLEY. I yield.

Mr. SMOOT. I think it is no more than fair to the Senate to call attention to the profits of the Libbey-Owens Co., reference to them having been made by the Senator from Mississippi. A great part of those profits have been collected from royalties on patents that are owned by the company. Even concerns abroad which make the glass under those patents have to pay the Libbey-Owens Co. a royalty for using the patented process. I thought I ought to say that much to the Senate because of the fact that the profit has not all been made from manufacturing of glass in the United States.

Mr. BARKLEY. The Senator, however, will bear in mind that the Libbey-Owens Sheet Glass Co. is owned by the parent company, which owns the patents, and the profits to which he refers are profits made by the parent company and are not simply profits made by the subsidiary, the Libbey-Owens Sheet Glass Co.

Mr. SMOOT. But the profits to which I referred were derived partly from royalties paid the company.

Mr. BARKLEY. The royalties are collected by the parent company and not by the glass company.

Mr. SMOOT. The glass company gets credit for it, and then the whole profits go to the parent company.

Mr. BARKLEY. The glass company, though, keeps its own books. It makes its own profits. The fact that the parent company owns the stock of the glass company does not change the situation in any respect. I have been talking about the profits of the glass company, not the profits of the parent company that owns the patents.

Mr. SMOOT. Mr. President, these statistics show what the presidential proclamation did with regard to cylinder glass:

The presidential proclamation was made in June. During the month of June there were 12,500,000 pounds of cylinder glass imported into the United States. As soon as the presidential proclamation became effective in July, there were 4,400,000 pounds imported, or about one-third of the amount imported the month before. In August the importation dropped to 3,000,000 pounds. In September there were 4,500,000 pounds imported; in October, 3,900,000 pounds; in November, 3,000,000 pounds; and in December, 2,000,000 pounds.

Before the presidential proclamation took effect there were coming into this country in May about 8,000,000 pounds, and in June 12,000,000 pounds. So at least the American laboring man had the benefit of making that much more glass in the United States.

Mr. BARKLEY. Mr. President, I will state, in connection with the Libbey-Owens profits, that I have here a clipping from the American Glass Review, of December 14, 1929, showing that the Libbey-Owens profits for the year 1929 were \$3,515,652, which amounted to \$1.89 per share of no par value, as compared to \$1.55 per share in 1928. This company, as has been stated, makes 40 per cent of the entire American product, and it has been joined now in its modern methods by the American Window Glass Co., making 30 or 40 per cent, the two of them making nearly 80 per cent of all the window glass made in the United States. So one of those companies was able to increase its profits in 1929 over those of 1928, notwithstanding the fact that under the tariff rates carried in the act of 1922 it has made these enormous profits and declared these enormous stock and cash dividends.

Mr. FESS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FESS. I know the Senator wants to get all the facts on both sides of this question; and I wish he would permit me to read a portion of a letter from the Libbey-Owens people in answer to my inquiry as to the figures given in the former debate by the Senator from Mississippi [Mr. HARRISON]. I listened, some months ago, to his statement that was read just a few minutes ago, and the figures he gave were somewhat startling to me; so I wrote to the Libbey-Owens people at Toledo, inclosing that address, and asked them to give me the facts. If the Senator will permit me to do so, I should like to quote just a portion of the letter.

They say:

The figures given as to the earnings of the company are substantially correct; but when taken in connection with the statement of the capital of the company are entirely misleading. The \$2,000,000 capital of the company at its organization in 1916, mentioned by Senator HARRISON, was represented by preferred stock, of which about \$1,500,000 was issued at par for cash, and about \$500,000 was issued at par for property at its cost. It also had originally a capital of \$4,000,000 common stock, representing the patents and inventions which had been developed by its predecessors in title at a cost of hundreds of thousands of dollars over a period of 8 or 10 years. Subsequently over \$5,000,000 cash capital was contributed by subscription and purchase of preferred stock of the company and its two subsidiaries, which have since been consolidated with the company. Also, common stock of the company was sold to its stockholders for cash at \$115 per share, making a further cash capital contribution of almost \$8,500,000. While the preferred stock issues have been redeemed, the earnings of the company have been based, in large part, upon these cash capital contributions by shareholders from time to time of more than \$13,000,000 in addition to the \$2,000,000 in cash and property and the \$4,000,000 represented by patents and inventions at the time of its

organization. The earnings are thus not disproportionate to the capital and investment—

As would be suggested by the Senator from Mississippi. I think those figures ought to go in at this time.

Mr. BARKLEY. I have no objection to their going in.

I will say to the Senator that the Libbey-Owens Co. has not been here, and is not here now, asking for any increase in tariff. It was not a party to the request for increase by presidential proclamation; and I think, in spite of the letter inserted by the Senator from Ohio, that the Libbey-Owens Co. does not need the protection that it is now obtaining by reason of the increase, at least upon window glass, by the President without its request.

Mr. FESS. They have made no request of me. I had directed a letter to them in reference to what had been stated.

Mr. BARKLEY. I understand that.

My position is that the Libbey-Owens Co. has made no request for an increase. It certainly is not entitled to it on the showing made here. I say that the American Window Glass Co., which made the request for an increase when it was using these out-of-date methods, has now abandoned those methods and is using modern methods, and therefore is in a position to put itself on a level with the Libbey-Owens Co., the two of them together producing about 80 per cent of the entire American product.

Mr. McMASTER. Mr. President—

The PRESIDING OFFICER (Mr. McCulloch in the chair). Does the Senator from Kentucky yield to the Senator from South Dakota?

Mr. BARKLEY. I yield to the Senator.

Mr. McMASTER. In reference to the letter just inserted in the Record by the Senator from Ohio [Mr. Fess] from the Libbey-Owens Glass Co., I desire to say that it is very easy to write a letter making explanations of how capital stock was paid in, and so forth; but later in the discussion on plate glass I shall produce a statement that was compiled by one of the most reputable accounting firms in the city of New York, who have gone over all of the financial statements of the Libbey-Owens Co. from the year 1920 down to the year 1928. That statement shows that beginning either with the year 1921 or the year 1920—I have the exact figures on my desk—their actual capital at that time was about \$7,500,000, and that during the next eight years, according to their own financial statements, they had accumulated and made more than \$21,000,000 in earnings upon the \$7,500,000 capital.

Mr. BARKLEY. That statement is undoubtedly correct; and in addition to the increase of their stock they now have in the treasury practically \$10,000,000 of undivided profits and surplus.

Mr. GOFF. Mr. President, will the Senator yield?

Mr. BARKLEY. I do not want to prolong this discussion. I will yield to the Senator, however.

Mr. GOFF. I shall take only just a few moments to bring to the attention of the Senator some data which have come to my attention here recently.

Mr. BARKLEY. Will the Senator give me the source of the data?

Mr. GOFF. Yes; they come from the Window Glass Manufacturers' Association. I attempted to obtain this evidence in regard to the very argument which the Senator has just presented. It is to the effect that the Libbey-Owens Co. not only produces window glass but a great deal of plate glass, and that in computing the profits of the Libbey-Owens Co. it is necessary to take into consideration the fact that plate-glass enters largely into those profits; that during the year 1929 the Libbey-Owens Co. produced about one-tenth of all the plate glass produced in the United States. It furthermore, as the Senator from Utah stated, not only owns and operates large plants in several of our States—West Virginia and Ohio, especially Ohio—but it owns ancillary properties from which it receives large incomes. For example, in the State of West Virginia the Libbey-Owens Co. owns large natural-gas properties and is receiving a large income therefrom.

I wish to state to the Senator in this connection, and bring it to his attention for his consideration, that the Libbey-Owens Co. not only operates an exclusively owned patented sheet-drawn process in this country but it has licensed companies operating under its patents in Belgium, France, Spain, Switzerland, Germany, Italy, and Japan; and in some or all of these factories it owns, directly or indirectly, certain stock interests.

When we view the general amount of income of this company we should take into consideration the fact that it is not the result of the Libbey-Owens Co. being engaged in window-glass manufacture, but that it also has plate glass and other ancillary property holdings, and the income from these royalties in the

different nations of the world, to which I have just called the attention of the Senate.

Mr. BARKLEY. Mr. President, I will say to the Senator, as I said a while ago, that these royalties are not owned by the Libbey-Owens Sheet Glass Co. These patents and royalties are owned by the parent company that obtained the patents and incorporated as a subsidiary the Libbey-Owens Glass Co.; and they are not figured in the profits which have been recited here as to the Libbey-Owens Sheet Glass Co. proper, aside from its connection with the parent company which owns the patents and the royalties.

Mr. GOFF. I know that is the Senator's contention. I have just the opposite information.

Mr. BARKLEY. If it be true, as the Senator says, that a part of these profits have been made out of the manufacture of plate glass, I will say to him that the same situation exists as to plate glass that exists as to window glass. There has been a modernization of the methods of making plate glass. The President issued a proclamation increasing those rates, and I understand that an amendment is to be offered a little later affecting the presidential rates on plate glass. If the Libbey-Owens Co. has made all these profits on the manufacture of plate glass, certainly the Senator from West Virginia ought to look with considerable favor upon the motion that will be made to restore the original rates on plate glass, so as not to make it possible for them to take further advantage of these high rates to increase their profits on that part of their business.

Mr. GOFF. I might say to my friend from Kentucky that my position on plate glass will be just exactly the same, relatively speaking, as it is on window glass.

Mr. BARKLEY. I would have known it if the Senator had not spoken.

Mr. GOFF. I saved the Senator the embarrassment of thinking to the point of expressing himself.

Mr. BARKLEY. There is no embarrassment whatever attached to it.

I have taken more time, due to interruptions, than I intended to take. I simply desire to epitomize what I have said.

Forty per cent of American window glass is produced by one company, which has always been prosperous, which has always used modern methods. The increase which I am seeking to remove was based upon the cost of producing window glass by a company that used out-of-date, outworn, antiquated methods. They have abandoned those methods. They have modernized their plant. That means that these two great corporations are making between 70 and 80 per cent of the entire American production of window glass. They are not entitled to and do not need this increase in the tariff on this essential building material; and, in addition to that, the American people ought not to be penalized because of a condition that existed years ago, before the industry was modernized and brought up to date.

Reference has been made to the competition from Belgium. There are only seven States, and they are along the Atlantic seaboard and the Pacific seaboard, where there is any competition. It is the same situation that exists with respect to cement and brick and other heavy building materials; and yet these companies, by reason of this effort to place a restriction upon imports into these seven States, will take advantage of it to raise the price to every American consumer, no matter what part of the country he may reside in.

Mr. WALSH of Massachusetts. Mr. President—

Mr. BARKLEY. I yield to the Senator from Massachusetts. Mr. WALSH of Massachusetts. To prove the folly of basing our present rate upon information furnished by the Tariff Commission in its early report, in addition to all the Senator has said, is the further fact, to which I have not heard him refer, but with which he probably is familiar, that since 1926 there has been an increase in the labor cost in Belgium of 30 per cent. That is very important.

Mr. BARKLEY. I was coming to that a while ago, but was diverted.

Mr. WALSH of Massachusetts. So that in addition to all the other factors, including the modern processes of making window glass, here is a further fact, that in 1929 the labor cost in Belgium, the competing foreign country, had increased 30 per cent from what it was in 1926.

Mr. BARKLEY. I thank the Senator for calling that to my attention.

Mr. WALSH of Massachusetts. Furthermore, the transportation costs of the imported glass have increased 26 per cent.

Mr. BARKLEY. I am obliged to the Senator for recalling that to my recollection. The increase in the cost of labor in Belgium being 30 per cent, the increase in the cost of transportation being 26 per cent, means, of course, that the cost of

landing the product in the United States has been increased 56 per cent in three years.

Mr. WALSH of Massachusetts. That gives an entirely different picture from the conditions upon which the Tariff Commission made its report.

Mr. BARKLEY. In addition to that, I will state to the Senator, as compared with the domestic production of about 500,000,000 square feet, the importations from Belgium have declined since 1926 from more than 80,000,000 to about 67,000,000 in 1928, and there was a still further decline in 1929, and no doubt will be a still further decline in 1930, due to the fact, of course, that there has been a falling off in the building industry of the United States which has necessarily brought down domestic production and importations as well.

I do not desire to take further time, and I feel like apologizing to the Senate for having taken this much time; but it has been due very largely to interruptions, which have been quite helpful.

Mr. WALSH of Massachusetts. Has the Senator brought out the fact that the imports reach only a very little territory in the United States?

Mr. BARKLEY. I just stated to the Senator that there are only seven States in the United States which these imports reach at all.

Mr. WALSH of Massachusetts. And the domestic producers have the entire country to themselves, except for some of the seaports.

Mr. BARKLEY. The domestic producers have the entire country. They meet some small competition in the domestic seaports, but the importations do not reach the interior of the country. There are 41 States into which imported window glass is never brought. Yet by reason of this increase in the tariff on window glass they are enabled to use that as a lever, whenever the economic conditions will justify them in doing so, to raise the price to every consumer of window glass in the country.

Mr. GOFF. Mr. President, I wish to preface what I desire to say in reply to the remarks of the Senator from Kentucky by an answer to the suggestion he made in reference to cement and brick and the importations of window glass.

The Senator from Kentucky, as I understood his argument, insisted that there were only seven seaboard States that were possibly affected by the importations; and then he stated that, analogously, it was the same situation which we meet when we consider the importations of cement and brick.

If we can not ship from the interior of this country the brick or the cement which are manufactured in these respective communities because of the high freight rates, then we throw out of employment for the very seaboard markets the men and the capital that would produce brick and cement and window glass for these consuming seaboard communities.

As the Senator from Kentucky very properly says, from his point of view, and I know he is very sincere in his contention as he sees it, I can not understand why, if we are to stand for America, if we are to stand for this country, if we are to stabilize this industry, if we are to promote its prosperity, we should decline in any instance to invite capital either to invest itself or to employ labor.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. GOFF. Certainly.

Mr. BARKLEY. I should like to ask the Senator to explain, if we are going to destroy this industry, why it is that the price of window glass in the United States, according to the Bureau of Labor Statistics, in 1926 was \$3.90 per 50 square feet, and in 1929 was \$4.20 per 50 square feet.

Mr. GOFF. There are a great many elements that enter into that, and one of the elements is the higher cost of living in the United States and the higher cost of labor. The Senator from Kentucky says at one end of his argument, which it seems to me is one of the horns of his dilemma, "You have armies of unemployed men marching through the streets of the United States." Our distinguished colleague from the State of New York [Mr. COPELAND] tells us that whenever he goes to New York City he finds it difficult to pass down the highways and the byways, or the principal streets there, because of the unemployed men standing out in front of the employment agencies and bureaus.

To come right down to the concrete proposition involved in the Senator's question, what are we going to do? Are we going to maintain our standards for labor in the United States, employ labor at rates commensurate with the ordinary increases of industrial prices here, or are we to throw workers out of employment, and by throwing them out of employment give to the consumer a cheaper product from abroad?

How is the consumer affected by having capital uninvested and labor unemployed? The consumer is, in the large majori-

ties of cases, the individual who finds it necessary to obtain the price with which he consumes from the investment of capital and the employment of labor.

The elements which enter into this increase I can not tell the Senator. He does not have the different elements, he does not state them, and I know that if he had all of the different elements which enter into this increase, in view of what he has said is the fierce domestic competition in this country, he would unquestionably state them.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GOFF. Certainly.

Mr. BARKLEY. What I am wondering is whether the fact that the cost of labor in Belgium increased 30 per cent and the cost of transporting Belgian glass increased 26 per cent had anything to do with inducing the American producers to increase their price from \$3.90 to \$4.20.

Mr. GOFF. I do not think it did at all, because I know that the ordinary standard of living in Belgium is just about one-fifth of what it is in the United States, and I say to the Senator that I not only know that from statistics, but I know it because I have seen it and observed it. I do not think that the lowering of the cost of production in Belgium or the increasing of the cost of production in Belgium 30 per cent would have any effect whatsoever.

The Finance Committee, as I understand it, approved the rate in paragraph 219 as passed by the House. The provision in the bill as it passed the House relating to the general question of cylinder and crown and sheet glass was revised to read as the Finance Committee report shows.

These rates which were proposed by the Senate Finance Committee are those which were proclaimed by the President, and which have been referred to in this debate as the presidential proclamation.

The minimum ad valorem rate of 50 per cent was imposed in the House bill to take care of the relatively higher valued sheet glass known as Vitrea, special sheet glass used for photographic plates, and the ultra-violet glass known as Vita. The elimination of this provision by the Finance Committee was based on the following information:

Fully 90 per cent of the importations of glass covered by this paragraph consist of ordinary clear window glass of relatively small value upon which the specific duties proposed in the bill would apply.

Antique and fancy colored glass, which would be affected by the 50 per cent provision, because of its relatively high value, is made in the United States only in limited quantities and in comparatively few shades and colors.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. GOFF. I yield.

Mr. COPELAND. Let me ask the Senator about Vita glass. Is most of that imported?

Mr. GOFF. Most all of it. There is no domestic glass, as I understand it, which competes with the Vita glass.

Mr. COPELAND. The Corning factory is attempting to do something along that line. As a matter of fact, most of that ultra-violet glass comes from abroad, does it not?

Mr. GOFF. That is my understanding.

Mr. FLETCHER. Mr. President, is it not actually a fact that the glass manufacturers are in a position to fix the price at practically what they choose to fix it, that the industry has expanded enormously in amount of capital invested in it, has increased tremendously, the manufacturers have been exceedingly prosperous, and are to-day in possession of enormous surpluses from their profits? In that case, do they need this duty, and is it fair to ask this duty, in view of the situation with reference to these necessary commodities?

Mr. GOFF. My answer to the Senator is this: I do not think the producers of glass are in a position to fix any price which they may desire to fix. I think, as was well stated by the Senator from Kentucky, that domestic competition is reducing the price of glass in this country and that it is also eliminating the producer of glass who is not capable of adopting the modern processes of manufacturing glass because of the absence of capital at his command.

The Senator further stated, which I understand is clearly within the facts of the situation, that the import of Belgian glass is simply absorbing the markets at the present time of the large seaport cities of at least seven of our coast States. I do not think, for that reason, that it lies within the province, economically and productively speaking, of anyone engaged in the manufacture of glass to raise or lower the price as he may see fit to do so.

Mr. President, since 1926, as I am very reliably informed, seven companies in this country have installed—and this relates to the question of competition—flat-drawn processes, with

a total of 67 machines, while in 1927 the total number of flat-drawn process machines installed was 69. These processes are extremely difficult to place in very successful operation. Consequently the costs of these developments have been excessively high.

Every manufacturer who has attempted to resort to this process has required many months of operation before he was able to reach any commercially successful achievements or results in his special line of investment.

Since 1926 the average rate of wages for all of the flat-drawn processes in this country has increased about 10 per cent. I might say to my friend the Senator from Kentucky that those facts and those elements are among the constituent causes of the increase in the price of domestic glass in the United States. The wages of cutters alone, the largest single trade engaged in this industry, increased from 21 cents per box of 50 square feet in 1926 to 25.5 cents per 50-foot box in 1929, which is an increase of 21.4 per cent in the wages of the men so engaged in the industry.

At the time the experts of the Tariff Commission made the investigation which they did of the Belgian costs, almost all of the flat-drawn process factories in Belgium had long passed the development period and were operating on this new process to a very lucrative end. Since 1926 the Belgian flat-process factories have greatly increased their efficiency.

In 1926 the Belgian production of hand-blown glass represented 59 per cent of the total production of window glass in Belgium by the hand blown and the Fourcault process methods, while in 1929 the hand-blown production was reduced to 17 per cent of the total of those two processes. Under ordinary conditions this increase in efficiency would be offset to some extent by the increase in wages and freight rates. Without accurate knowledge of the Belgian costs at the present time it is a very fair inference that the increased efficiency of the Fourcault process in Belgium since 1926 has more than offset any increase in cost due to increases in wages and freight rates.

I wish also to call attention to the fact that any possible decrease in domestic costs by the adoption of improved and automatic processes has been offset by the decrease in the selling price of window glass since 1926 amounting to substantially 10 per cent.

The statement that the domestic prices of window glass have increased, as was substantially stated by the Senator from Kentucky, 7.5 per cent since 1926, is not in conformity with the facts and the evidence which has come to my possession. The manufacturers' average selling price in carload lots of single-strength window glass, which represents 70 per cent of all the window glass used in 1926, was \$2.819 per box of 50 square feet at the factory, while the selling price for similar glass for the year 1929 was \$2.536 for 50-square-foot box, a decrease of 10 per cent.

In support of the statement that prices are excessive and abnormal, the statement was made by the Senator from Kentucky of certain indexes of prices on the general level since April, 1929, as being only 38.7 per cent above the pre-war level of 1913, while the wholesale prices of window glass were 84.7 per cent above the pre-war level.

In support of the statement which I have made in submitting my inquiries and questions propounded, that the manufacturing prices of window glass are neither excessive nor abnormal, I wish to call the attention of the Senate to the following facts which have been submitted to me from a very reliable source. In 1913 the American Window Glass Co., which has in its possession the control of much of the window glass manufactured in the United States, was then producing a larger part of the window glass of the United States. At that time it produced about 40 per cent of all of the window glass made in this country. The American Window Glass Co.'s product was generally recognized as the standard of quality by the trade. Its selling prices can be considered, therefore, as a fair index of the prices which then prevailed.

For the fiscal year ending August 31, 1913, the average net selling price for single-strength glass per 50-foot box, f. o. b. the factory, was \$1.774. For the calendar year 1929 the average net selling price, f. o. b. factory, for single-strength glass, of practically all window glass manufacturers in the United States, was \$2.536, an increase of only 43 per cent over the 1913 price. The average selling price for 1929 of the associations that produced 95 per cent of all of the window glass made in this country during the year 1929 shows that the most important items entering into the cost of window glass for the years 1913 and 1929 were wages, the cutters' wages, common labor, natural gas or coal, lumber, and raw material. In this connection I ask to have this schedule to which I have been referring inserted in the Record in connection with my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The schedule is as follows:

	1913	1929	Per cent of increase
Cutter's wages, per 50-foot box.....	\$0.104	\$0.255	145
Common labor, per hour.....	.175	.36	106
Other skilled labor was increased in the same proportion.			
Natural gas per 1,000 cubic feet.....	.14	.45	221
Coal per ton.....	1.60	2.56	60
Boxing lumber per M square feet.....	21.30	33.80	59
Raw materials used in melting, per ton.....	4.18	8.08	93

Mr. GOFF. The statement is also made that the current wholesale quotation for single-strength window glass is \$4.20 per box of 50 square feet, and that if its increase in price had been in accordance with the general commodity prices, the quotation would be only \$3.15, and that price is accordingly 33½ per cent above normal. The Senator from Kentucky a short time ago propounded that inquiry, and in this connection I wish further to say that the manufacturers' quotations which were included in the items which will be inserted in connection with my remarks show just exactly where the price comes from and just what is responsible for producing it.

From data furnished by the Window Glass Manufacturers' Association, the highest average selling price for the past six months in 1929 obtained by any member of the association for "A" quality single-strength glass was \$3.16 per 50-foot box, while the average selling price of quality of single strength of all the members of the association was \$3.12 per 50-foot box.

It may be of some interest in this connection to appreciate that the total sales of single-strength glass of all qualities billed out by members of this association during the past year amounted to 4,560,950 fifty-foot boxes, while the total percentage of the "A" quality single-strength sales was only 7.3 per cent of that total.

Window glass is not sold by the manufacturers at a flat price per box, as I am informed, in the "A" quality. The prices vary according to sizes. There are nine different brackets of single-strength window glass, and the prices range in size from 6 by 8 inches in the first bracket to 30 by 50 inches in the ninth bracket. The list prices vary for each bracket. The list price for the largest sizes in "A" quality single strength is 77.5 per cent higher than the list price for the first bracket. Sales are made by naming discounts which at present range from 85 to 90 per cent off the list.

As further proof of the misinformation which seems to prevail in reference to this industry, I understand that one of the large American manufacturers still uses the obsolete cylinder method, and this is the only manufacturer who appeared before the House and Senate committees to demand certain changes in the duty. The statement evidently was intended to show that the contention which is now advanced by several of the corporations so engaged is without any substantial basis to justify it.

Mr. President, it seems, in view of the general discussion in reference to the question as well as to the prices and the reasons for the increased cost of production and the fact that if we in any way lower the present rate, that it is lowered solely and exclusively for the benefit of certain Atlantic port cities, that it is made solely for the benefit of the importer and that the net result, regardless of who receives the benefit, is to reduce the investments of American capital and the employment of American labor and therefore generally to lower the level of American productivity in this country at a time when every energy of the country, not only legislatively but financially and industrially, should be exerted to bring about not only stability in the industry but to increase that stability to the point that we will not only produce glass in the United States by purchasing wherever possible the raw material for such production but that we will employ American labor in the production of this very necessary and very vital element in the uses of the American people.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Kentucky?

Mr. GOFF. I yield.

Mr. BARKLEY. I simply desire to call the Senator's attention to the fact that from 1921 to 1928, all of which period was under the act of 1922, prior to the presidential proclamation we increased our domestic production of window glass from 260,000,000 square feet to 515,000,000 square feet, an increase of nearly 100 per cent. In 1921 we were importing 13.5 per cent

of our total consumption of window glass, but in 1928 we were only importing a little more than 9 per cent of our total consumption. These figures are true of a period prior to the increase in the rate carried in the President's proclamation, the rate which I am seeking to restore at this time.

I ask permission to insert in the RECORD at this point a table which I shall not read, showing the range of prices for different classes of window glass produced in the United States entitled "Domestic Wholesale Window Glass Prices," and also a table showing Belgian wholesale prices at the port of New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables are as follows:

Domestic wholesale window-glass prices, per box (50 square feet), single strength, B quality

Date	Bracket united inches	List f. o. b. factory	Discount (per cent)	Net f. o. b. factory	Boxing charge added	Net less 3 per cent	Freight Pittsburgh to New York	Delivered price at New York
January, 1913	25	\$19.00	90-20	\$1.52	\$1.72		\$0.26	\$1.98
October, 1922	25	19.00	87-2½	2.41	2.61	\$2.53	.26	2.79
August, 1924	25	19.00	88-5	2.17	2.37	2.30	.26	2.56
May, 1925	25	19.00	89-5	1.99	2.19	2.12	.26	2.38
October, 1926	25	19.00	88-3	2.21	2.42	2.35	.26	2.61
November, 1927	25	19.00	91	1.71	1.81	1.76	.26	2.02
August, 1928	25	19.00	89	2.09	2.19	2.12	.26	2.38
July, 1929	25	19.00	88-5	2.17	2.27	2.20	.26	2.46
January, 1913	34	20.00	90-20	1.60	1.80		.26	2.06
October, 1922	34	20.00	85-3½	2.91	3.11	3.02	.26	3.28
August, 1924	34	20.00	86-6	2.63	2.83	2.75	.26	3.01
May, 1925	34	20.00	88	2.40	2.60	2.52	.26	2.78
October, 1926	34	20.00	86-3	2.72	2.93	2.84	.26	3.10
November, 1927	34	20.00	90	2.00	2.10	2.04	.26	2.30
August, 1928	34	20.00	88	2.40	2.50	2.43	.26	2.69
July, 1929	34	20.00	87-5	2.47	2.57	2.49	.26	2.75
January, 1913	40	21.00	90-20	1.68	1.88		.26	2.14
October, 1922	40	21.00	85-3	3.06	3.26	3.16	.26	3.42
August, 1924	40	21.00	86-6	2.76	2.96	2.87	.26	3.13
May, 1925	40	21.00	88	2.52	2.72	2.64	.26	2.90
October, 1926	40	21.00	86-3	2.85	3.06	2.97	.26	3.23
November, 1927	40	21.00	90	2.10	2.20	2.13	.26	2.39
August, 1928	40	21.00	88	2.52	2.62	2.54	.26	2.80
July, 1929	40	21.00	87-5	2.59	2.69	2.61	.26	2.87

Belgian wholesale window-glass prices, per box (50 square feet), single strength, B quality

Date	Bracket united inches	List f. o. b. Antwerp	Discount or plus-age (per cent)	Net f. o. b. Antwerp	Duty	Net f. o. b. Antwerp, including duty	Ocean freight and charges to New York	C. i. f. New York, including duty
October, 1926	25	\$1.12	-10	\$1.020	\$0.71	\$1.730	\$0.20	\$1.930
November, 1927	25	1.00	-14	.860	.71	1.570	.20	1.770
May, 1928	25	1.00	-5	.950	.71	1.660	.20	1.860
October, 1928	25	1.00	+7½	1.075	.71	1.785	.20	1.985
September, 1929	25	1.00	+7½	1.075	1.06	2.135	.25	2.385
October, 1926	34	1.37	-10	1.245	.78	2.025	.20	2.225
November, 1927	34	1.25	-14	1.080	.78	1.860	.20	2.060
May, 1928	34	1.25	-5	1.190	.78	1.970	.20	2.170
October, 1928	34	1.25	+7½	1.340	.78	2.120	.20	2.320
September, 1929	34	1.25	+7½	1.340	1.17	2.510	.25	2.760
October, 1926	40	1.37	-10	1.245	.78	2.025	.20	2.225
November, 1927	40	1.25	-14	1.080	.78	1.860	.20	2.060
May, 1928	40	1.25	-5	1.190	.78	1.870	.20	2.170
October, 1928	40	1.25	+7½	1.340	.78	2.120	.20	2.320
September, 1929	40	1.25	+7½	1.340	1.17	2.510	.25	2.760

¹ List \$1, boxing charge 12 cents.

² List \$1.25, boxing charge 12 cents.

Mr. GOFF. Mr. President, I desire to ask the Senator this question: Am I correct in understanding his argument to be that the increase in importations from Belgium would affect only the domestic market along the seacoast where such imports are received?

Mr. BARKLEY. Not precisely. What I said was that imports of window glass go into only seven States. Those are the States along the seaboard. Of course, indirectly any increase in the price of the imported article affects the price all over the country. I think there may be no justification for it, the mere fact that there is an increase in the imported article operates indirectly upon the price all over the whole country. The glass factories in the interior of the country are in no danger and have never been and can never be in any danger from Belgian window glass, because it does not reach them. It is limited to a short distance from the Atlantic seaboard because of its weight.

Mr. GOFF. Mr. President, I thank the Senator from Kentucky for his frank answer, and it represents what I understood his position to be. I now therefore should like to ask the

Senator this question: Would not the bringing of foreign glass into the ports of the seven States not only affect but possibly drive out of that competitive market the domestic-made glass that would otherwise find a home market there?

Mr. BARKLEY. I will say to the Senator that would not be the result, because there has been no domestic producer making window glass by modern methods who has been driven out of existence. Of course, these plants are located rather strategically in various parts of the country. Some of them have been undoubtedly located with a view of undertaking to prevent importations altogether by producing the article at the port or within close proximity to the port; but there has not been a single instance where a glass factory located on the seaboard and using modern methods has been closed or shut down or even seriously affected by any importations from foreign countries.

Besides that, as to the ports of importation exists the same situation as to window glass that exists in the case of other building materials. The total proportion of window glass made in America used in the seaport cities is so much larger than the proportion used from abroad that the latter does seriously affect the market even there, but does afford a wholesome, healthy competition, to which I think the American people, even in those restricted areas, are entitled.

Mr. GOFF. Then, of course, the direct effect of the amendment offered by the Senator from Kentucky would be to affect the consumer in a beneficial way, as he contends, and sees it only in those seaport cities?

Mr. BARKLEY. Largely that is true. Of course, there is a sort of "twilight zone," I suppose, between the area that can be supplied by any amount of importations and the area over which domestic factories can ship their product, which would be more or less indirectly affected, but very largely the direct effect of this rate is upon the consumers of window glass in the territory where the importations are distributed.

Mr. GOFF. Then, if the direct effect of the importations in those seaport cities would be the reducing of the domestic supply and the closing of the domestic plants, what would the Senator say we should do with the labor thereby rendered unemployed?

Mr. BARKLEY. The Senator presupposes an impossible premise, because that has not happened, and, in my judgment, it will not happen. I do not think, in view of the showing made here of an increase of 100 per cent in the production of American window glass by the factories of the United States compared to an increase in total importations of only about 30 per cent, between 1921 and 1928, that the importations materially affected the employment of labor in any glass factory in the United States.

Mr. GOFF. Could we not avoid this prospective danger if the Senator would so modify his amendment as to have it relate only to the seaport cities in the seven Atlantic States?

Mr. BARKLEY. Of course the Senator knows that there is no way by which that could be accomplished, because all we can do here is to levy a tariff of a certain rate. We can not follow glass in its course in the interior and put a Government inspector on it and see whether or not somebody raises the price or lowers the price.

Mr. GOFF. Mr. President, I was only propounding that question to the Senator to see if he and I could not agree logically as to the result of the amendment which he has offered, that if we merely eliminated any other section of the country except the seven seaport States we would then, of course, not in any way affect the production of glass in those States which do not supply the seaport cities with window glass.

Mr. BARKLEY. Of course, economic results must take their course in the actual transactions of trade; so I do not see how we could in any way by legislation affect that.

While we are on the subject, I will say to the Senator that I do not like to lose sight altogether of the millions of American workmen who happen to be engaged in other pursuits, in the production of other commodities, who may now and then want to enjoy the blessings of sunlight and atmosphere in the little homes which they may undertake to build and in the construction of which they may wish to use window glass. I do not yield to the Senator in my devotion to the welfare of the laboring men, but I want to take into consideration all of them. I do not like to play one set of laboring men against another set, both of whom have as much claim on the American Congress for sympathy as any other class of our people. Assuming both of them are equally industrious, equally patriotic, and equally meritorious, why should we play one set of laboring men engaged in making one particular product against another set of laboring men who are engaged in the production of some

other product and who must buy and use the product produced by the other class? So I have tried—and I hope I have succeeded—in keeping in view in the picture all American workmen who are to be affected by what we do here.

Mr. GOFF. I quite agree with the Senator's conclusion that we should not play one class of workmen against another, but I am addressing my remarks more to the general attitude of those, of whom in this instance the Senator from Kentucky is one, who desire to reduce wherever they can the tariff on any American product which comes in competition with a foreign product that could go into the seaports of the country and possibly further into the interior at a cheaper cost of production.

Mr. BARKLEY. I will say to the Senator that neither I nor anybody whom I represent is seeking to reduce rates wherever we can. We are seeking to prevent increases and to bring about reductions where we feel the economic and commercial situation justifies our position. In no single instance have we sought to reduce a rate simply because we have the power to do it; and the votes have shown that in some instances we have not had the power to do it, although we sincerely believed that the facts justified a reduction. We are only seeking to reduce a rate or to prevent an increase in a rate where the increase is not justified by the economic facts or where the decrease is justified by economic facts. We are not at all dogmatic on the subject; we are not arbitrary; we are not pursuing any theory up a blind alley; we are undertaking to make use of the facts which have been gathered by the United States Government in an impartial way and to apply them to every single item in the pending tariff bill.

If we can not do that, then I say it is a perfect waste of time for the United States to spend its money gathering facts for the benefit of Congress if we are to be denied the right to make use of them and apply them to every single item that we reach in assessing a tariff. That is all we have attempted to do, and I shall not allow the Senator to put the interpretation of our action that leads him to say that we are seeking to reduce rates wherever we can. We are only seeking to reduce them where we think the facts, justice, and fairness to all the people of the United States justify that course.

Mr. GOFF. Mr. President, there is very little difference between the Senator's statement and the statement which I made. Of course when you have attempted to reduce rates you have tried to do so because—

Mr. McMASTER. Mr. President—

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from South Dakota?

Mr. GOFF. I will yield when I finish the statement. You have tried to do so when you thought the facts justified your position. Now, I want to say to the Senator from Kentucky—and I know that he will credit my sincerity in this—we have the facts adduced both pro and con. Some minds view them in one way and some minds view them in another way. The Senator from Kentucky and I differ upon many economic problems, but I know that the Senator from Kentucky is just as honest in his opinion as I feel that I am in mine, and if we did not air these differences, if we did not subject them to the test of an analytical and intellectual laboratory we would never find which road was right and which road was wrong. I have no hesitation, in all sincerity and in all sympathy, in saying to my distinguished friend from Kentucky, that I think the contentions which he and I have been engaged in have shown that wherever we have differed he has gone down the wrong byway, while I have been on the right highway.

Mr. BARKLEY. Mr. President, after that I think we ought to vote.

Mr. McMASTER. Mr. President—

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from South Dakota?

Mr. GOFF. I yield.

Mr. McMASTER. To a statement just made by the Senator from West Virginia, I rather take exception.

Mr. GOFF. I wish the Senator would state the ground of his exception, and let me see if I can argue it out with him.

Mr. McMASTER. The Senator made a statement from which a general inference could be drawn. He said, "You have always tried to reduce rates." That was the substance of what the Senator said. I presume he referred to all of those who happen to disagree with a certain group here in the Senate in regard to their attitude upon the tariff. I wish to say to the Senator from West Virginia that there has been a majority in the Senate that on many occasions has tried to increase rates in the pending tariff bill, particularly in regard to agricultural products and also in the case of manufactured commodities for which agriculture furnished the raw material. So the Senator can not make the general statement that a certain group here in the

Senate have tried to reduce rates, when, as a matter of fact, we have made a very desperate fight to increase many rates.

Mr. GOFF. Mr. President, I think I should say in reply to the Senator from South Dakota that I am not impugning the motives of anyone. I know that every Member of this body is a representative of the State that sends him here; I know that he is the agent, to a certain extent, of that State; I know that State has selected him, and I know that he stands for the thought of that State; that he reflects its purposes and that he embodies its wishes in legislation. I know that every man who thinks constructively and concretely recognizes the fact that many requests are made of him by his State, to wit, his principal, with which he can not comply, because, with his more intimate knowledge, he looks at the situation differently from the point of view and the vision of his principal. I am not intimating that any Senator in this body is going to do anything for any purpose other than the purpose of advancing his community, in conjunction with the whole people of the United States, and then reflecting his own views in the premises.

I think in a way that some of us possibly are too sensitive about the suggestions that are made that we are trying to do things for purposes other than those which reflect our own views and the views of the communities which we represent. We all differ; we all have our different outlook on life. Every Member of the Senate is a product, if I may use the term, of the conditions which produced him. At any moment of time we are all of us the sum total of all that we have been. We look at life as we have lived life, as we have studied life, as we have read life, and as we have reflected upon the conditions that have produced our civilization. So, when men differ from me, I am not assuming—and I take this opportunity to say so, and I shall never repeat it in the Senate—I am not assuming that they are not justified from their own point of view in the conclusions which they reach and in the positions which they take.

Now, Mr. President, I think I shall yield the floor, as I have consumed more time than I originally intended to take.

Mr. WALSH of Massachusetts. Mr. President, I desire to have printed in the RECORD a brief prepared by me upon this paragraph, supporting the views expressed by the Senator from Kentucky [Mr. BARKLEY].

The VICE PRESIDENT. Without objection, the brief will be printed in the RECORD.

The matter referred to is as follows:

STATEMENT OF SENATOR WALSH OF MASSACHUSETTS ON PARAGRAPH 219, CYLINDER, CROWN, AND SHEET GLASS

(Prepared from evidence before the Finance Committee)

The specific duties provided in paragraph 219 of the existing tariff are graduated, irrespective of thickness and quality, according to size brackets. First examination of the paragraph gives one the impression there is a distinct differentiation between different types of glass. This is not so since the square inches mentioned therein refer to the size of the glass and not to thickness or weight of the glass.

Another memorable thing about this paragraph is that there are four different glass products dutiable in this paragraph. These are the ordinary plain window glass, photo glass (much thinner and of a higher quality), vita glass (health glass), and vitrea glass (heavy drawn sheet glass and more expensive than window glass).

The 1922 and the House proposed duties are as follows:

	1922 duty	Proposed duty in House bill
	Per pound	Per pound
Not exceeding 150 square inches.....	134	176
Not exceeding 384 square inches.....	136	244
Not exceeding 720 square inches.....	156	244
Not exceeding 864 square inches.....	134	236
Not exceeding 1,200 square inches.....	2	3
Not exceeding 2,400 square inches.....	24	34
All above.....	24	34

Present duties in amounts and percentages

	Per cent
72 cents per 50-foot box.....	72.00
79 cents per 50-foot box.....	63.20
93 cents per 50-foot box.....	74.40
93 cents per 50-foot box.....	66.43
93 cents per 50-foot box.....	64.14
\$1 per 50-foot box.....	68.96
\$1.15 per 50-foot box.....	74.20

From that table above it is seen that the present duties are largely in excess of 50 per cent ad valorem. The proposed increase listed above will give an ad valorem rate of more than 100 per cent, which would be double the 50 per cent proviso. In the House bill the increase ranges

from five-eighths of a cent a pound to 1½ cents per pound, increasing with the increase in size.

The rates in the House bill are the same as those recommended by the United States Tariff Commission in their report to the President on the window-glass investigation under section 315. The presidential proclamation was issued May 14, 1929, and the new duties went into effect. In the House the 50 per cent ad valorem proviso was added.

FACTS

(1) There are three methods of producing window glass:
 (a) Hand blown. This is now obsolete.
 (b) Machine-cylinder blown. This is becoming obsolete.
 (c) Sheet drawn. Over two-thirds of the domestic production in 1928 was by sheet-drawn methods as compared to 42 per cent in 1927, while practically all of the competitive importations from Belgium are produced by the sheet-drawn process. The Libbey-Owens Sheet Glass Co. has a patented sheet-drawing process owned exclusively by itself. This company produced 40 per cent of the domestic production in 1928. They did not ask for relief before the House or Senate. The other sheet-drawing process is the Fourcault one, the result of foreign inventive genius.

(2) DESCRIPTION AND USES

There are three distinct uses for the glass falling within the designations of this tariff paragraph:

(a) In medium thicknesses and usual qualities, for the glazing of ordinary dwellings, greenhouses, and the boxes in which certain kinds of merchandise are displayed;
 (b) In heavier thicknesses and with certain distinctive qualities, for the glazing of more expensive dwellings, hotels, and public buildings, in which it is competitive with polished window and plate glass;
 (c) In lowest thicknesses and with highly special qualities, for the manufacture of photographic plates.

By far the largest use is for the first one mentioned above, but the other uses are not inconsiderable.

(3) PRODUCTION

In the window-glass industry of the United States West Virginia in 1927 ranked first, Pennsylvania second, and Louisiana third. Thirteen plants using the mechanically blown cylinder process produced 46 per cent of the total and three plants using a sheet-drawing process (Libbey-Owens) of American invention produced 40 per cent. The rest was produced in seven plants by the Fourcault process.

Production of all kinds of window glass in square feet

Year	Pounds	Value
1923.....	510,214,838	\$42,623,203
1925.....	567,150,590	37,524,738
1926.....	530,000,000	36,040,000
1927.....	481,021,350	26,813,507

(4) IMPORTS

The foreign window-glass industry is largely concentrated in Belgium, Germany, France, and Czechoslovakia. The imports follow in order of importance:

Imports of window glass regardless of process and use

Year	Pounds	Value
1923.....	46,243,164	\$2,102,410
1925.....	45,585,815	2,395,168
1927.....	83,204,229	2,618,616
1928.....	67,870,133	2,491,075

SOURCE—PAGE 527 OF TARIFF SUMMARY

These imports do not penetrate very far from the coast because of their heavy bulk and low value. In fact, they are consumed largely at the ports of import. The chief ports of entry are as follows: Boston, New York, Philadelphia, Baltimore, Galveston, New Orleans, Los Angeles, San Francisco, Portland, and Seattle.

Only seven States can be said to use imported glass in recognizable amounts. They are as follows: New York, Massachusetts, Pennsylvania, Wisconsin, California, Oregon, and Washington. Wisconsin uses considerable amounts of photoglass, being second to New York in the matter of photography manufacture and development.

The following summary from the Tariff Commission report on window glass covers the distribution of the Belgian imports:

"The existing markets for Belgian window glass in the United States are far more localized than are the markets for the domestic product. Eight cities, four on the north Atlantic coast and four on the Pacific coast, received 84 per cent of the total imports from Belgium in 1926. All the other ports of entry, exclusive of Rochester and St. Louis (where imports are mostly not common window glass but a special flat glass used for photographic plates) received that year 3 per cent of the total Belgian imports. In contrast, in those States where these scattering

Belgian sales amounted to 3 per cent of the total, the domestic sales in 1926 were 69 per cent of the total" (p. 32).

(5) EXPORTS

They are insignificant, being less than 1 per cent of the total domestic production in 1927 and 1928.

REMARKS (ON WINDOW GLASS USED FOR BUILDING PURPOSES)

The increase in the rates in the House bill seems unwarranted for the following reasons:

(1) The new rates are higher than those asked for before the Ways and Means Committee by the representatives of the American window-glass industry. The American manufacturers asked for an increase of 46.1 per cent and were granted by the House bill 50 per cent.

(2) The comparison of costs of foreign and domestic manufactures in the Tariff Commission report, on the bases of which the presidential proclamation was issued, did not reflect a true comparison at the present time on account of changing conditions both as to process of manufacture and cost of production. This is seen as follows:

(a) Since 1926 the hand-operated plants in the United States have been entirely discontinued. Their costs were included in the tariff investigation report and helped to make the United States cost of production higher than it should be.

In 1926, in the United States, the machine-cylinder plants (the next highest cost of production to the hand plants) accounted for 59.2 per cent of domestic production, while the sheet-drawing processes made only 38.8 per cent in 1926. It uses the newer processes that in 1928 accounted for 61.2 per cent, while the machine-cylinder plants made only 38.8 per cent. Thus in two years the respective positions of the processes in the industry have been completely reversed.

The comparative costs of production, based upon the cost of the antiquated and almost discarded machine-cylinder process, are, therefore, useless and misleading. In making rates the committees of Congress should consider the latest developments.

(b) Since 1926 the labor cost in the United States in this industry has remained the same. Labor costs in Belgium in 1929 are 30.6 per cent above what they were in 1926 (p. 258, window-glass report). Thus additional labor cost has not been considered.

(c) The ocean freight rate from Antwerp to New York has increased from \$4.25 per ton in 1926 to \$5.50 per ton in 1928, an increase of 29 per cent.

(d) Belgian costs established in the report of the Tariff Commission were taken during a period of currency depreciation, when everything was upset, and every time they started to do anything the costs kept amounting. Thus, they were undervalued, because value in terms of any continuously depreciating currency lags behind the depreciation itself. The franc was not stabilized until the end of 1926, after these costs had been collected.

(3) Imports of window glass for the year 1928 were 13,873,586 pounds less than in 1927, a reduction of about 17 per cent.

(4) Importers state the House rates practically place an embargo on imported window glass (p. 496 of Senate hearings).

(5) The chief supporter of the increased rates is the American Window Glass Co. This company has been having a hard time in the last few years, having lost money consistently. The Libbey-Owens Glass Co. (makes 40 per cent of the domestic window glass) has made money and is not asking for a higher tariff. The reason for this is that the American Window Glass Co. has been slow to adopt modern methods. It has clung to the old hand and machine-cylinder process until very recently. It is now installing a few Fourcault machines. Libbey-Owens Co. has been progressive along this line, and hence has grabbed a major share of the market.

The following quotation illustrates thus:

"The American Window Glass Co. was the king-pin in the industry at that time (1921-22 tariff period), and the figures show that they had earned in 1920, per share of preferred stock, \$113.59, and per share of common stock \$32.76. So the American Window Glass Co. did not testify before the House Ways and Means Committee in 1921, because they had shown such exorbitant profits the year before.

To-day it is the American Window Glass Co. that is petitioning and testifying. It is not the Libbey-Owens Sheet Glass Co.; it is not the Fourcault plants that are testifying. The only company that has come out in the open and asked for increases in the rates of duty has been the American Window Glass Co. Of course, they can ask for an increase now because their process is on the verge of departure. It is not the Libbey-Owens Sheet Glass Co. that is testifying (modern plants)" (p. 506 of Senate hearings).

The American Window Glass Co. still manufactures a considerable part of its glass by the machine-cylinder process, which is rapidly becoming obsolete and antiquated.

(6) The American Window Glass Co. in 1927 and 1928 raised their prices in common with other window glass companies in spite of this so-called foreign menace.

This raise in the duty is an attempt to prolong inefficient antiquated methods of production as exemplified by the American Window Glass Co.

Upon all the evidence I am unable to reach the conclusion that increased duties—that will certainly add to the cost of building and shelter—are justified. The present tariff rates should be continued.

Mr. FESS. Mr. President, I shall take only a moment, in view of the fact that my own State has a very large industry in rather a varied character of glass production, including almost every form; and while I am not called upon to make any particular statement simply because it is an industry of my State, it seems to me that that industry ought to be represented here in its rights by some one.

Before the President, by proclamation, increased the rates, I had been besieged by almost all of these companies on the basis that they had rather a large unemployment problem; that the importations from the glass-manufacturing countries, especially Belgium, were very seriously embarrassing our home production. Consequently these matters were laid before the Tariff Commission; and the Tariff Commission, after a very exhaustive investigation, made a recommendation of an increase. The President acted upon that recommendation. In spite of the operation of the increased duty, large importations from Belgium continued—so much so that the companies were asking for an increased duty in this bill. The House in a degree respected that request. The Senate committee considered it, but did not give the same relief that the House gave. What I am concerned about is this amendment which entirely ignores the status of the industry and proposes now to eliminate the increase that was given by the presidential proclamation.

When the Senator from Kentucky [Mr. BARKLEY] referred to only seven States being affected, I scarcely knew how to interpret that statement, and wondered whether he had any reference to my own State. My own State has been very seriously affected. I have here a letter in which the writer states:

We have about 32 factories out of an association of 62 at work. A large number of them are from Ohio.

He mentions here, by name, seven of the factories.

I am informed that the factories are considerably hampered by the importations and a great number of the factories have idle furnaces that should be in operation if adequate protection were granted.

This letter was written only in September of last year, after the proclamation by the President went into effect. It is only one of a great number of statements made by men who have the data before them.

I also have a copy of a letter that was sent to our former colleague, Senator Edge, of New Jersey, on the same subject, in which about 15 companies are mentioned that are seriously affected by the increased importations.

In view of the fact that all the elements that enter into the cost of this article are so much more expensive in the United States than in the competing foreign countries—so much so that if we take it on the one item of wages alone, the difference is something like four to one, the United States paying four times the wages that are paid in a similar industry in the competing country. I think it would be most unwise for us now to take away from an industry represented as late as the latter part of last year as suffering, the additional protection that was granted upon the recommendation or findings of the Tariff Commission. It seems to me that that is wholly indefensible; and I can hardly realize the basis of such a demand on the part of any Senator on the ground stated, that it would affect only a few States.

Why, Mr. President, the Senate has heard time and time again the plea for protection where it would affect only one State. Article after article is supported by protective arguments, even by those who generally are opposed to protection, where only one State is affected. Here is an industry which affects all the people; and while it is stated that the importations affect only seven States, everybody knows that they affect the industry throughout the United States. As to the argument that it is discriminating in favor of one class of labor as against another, there is nothing to that.

What does a low price amount to if you have not the money with which to buy? We could eliminate all the protection of American industry, and buy all of our commodities from Europe at a lower rate; but what would we buy with if we destroyed industry here?

There is no argument at all in that. When the Irishman told a friend that he could get a rabbit for 25 cents in Ireland, the friend said, "Well, why don't you go to Ireland?" The Irishman said, "Begorry, I would not have the 25 cents if I were there."

While that is a homely illustration, it is fundamental in this argument. Unless we keep our labor employed, there is no purchasing power. No matter how cheap the article is, if you have no purchasing power it does not amount to anything.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Iowa?

Mr. FESS. I yield.

Mr. BROOKHART. I want to call the Senator's attention to the fact that so far as the farmers of the country are concerned, they have not had the 25 cents or 15 cents. They have been on the red side of the account under this glorious tariff.

Mr. FESS. I will say to the Senator from Iowa that the seventh schedule deals with farm products; and I think it is the universal belief here that not only on this side but on the other side of the aisle there was a consensus of opinion that anything that was reasonable in that schedule should be granted. I think the Senator will admit that that was done.

Mr. BROOKHART. Does the Senator claim that a mere tariff rate is effective on farm products with an exportable surplus?

Mr. FESS. Mr. President, the Senator is trying now to introduce the debenture idea. We will discuss that when we get to it, but not now.

Mr. BROOKHART. I was interested in getting that 25 cents in some way or other for the farmers of the country.

Mr. FESS. Mr. President, if we should follow the course that is inferred by the Senator—that we should look to the reduction of the price of an article so that the farmer could more easily buy—he would recognize instantly that the market available to the farmer is the employment of labor in industries that are not on the farm; and if the Senator desires to reduce the price by depending upon foreign production and putting out of employment American production, the farmer will have his stuff, but he will not have any market in which to sell it at all.

Mr. BROOKHART. The trouble about the matter is that the farmer must sell his surplus now in this foreign market where they have not the 25 cents, and they can not pay him enough for it to get the 25 cents for him.

Mr. FESS. If anybody but the farmer should say that, the Senator would say, "Reduce your surplus. What are you talking about? You want to pile up your surplus and then let the Government take care of the surplus."

Mr. BROOKHART. So the Senator from Ohio thinks we ought to kill off the farmers, and let them quit raising these crops?

Mr. FESS. Oh, no. The Senator from Ohio is as good a friend of the farmer as the Senator from Iowa; but the Senator from Ohio does not believe in hothouse methods of creating price without increasing value.

Mr. BROOKHART. If the Senator from Ohio can create both value and price for his manufacturing constituents through tariff rates, he is ready to create those things for them with great impunity.

Mr. FESS. The Senator from Ohio does not do anything more for the manufacturer than he is doing for the farmer. He puts them upon identically the same plane. He gives them their protection, and allows them to work out the problem; but the Senator from Iowa wants not only to give them protection but to have the industry handled by the Government in addition to the protection.

Mr. BROOKHART. I insist that a tariff rate is no protection to an agricultural product.

Mr. FESS. Then why does the Senator vote for protection, if there is no protection to it?

Mr. BROOKHART. I voted for it because it had a debenture in it. If the debenture goes out, I will vote against it.

Mr. FESS. And if it goes in, I will vote against it.

Mr. BROOKHART. That is why I think the Senator favors the farmer only theoretically.

Mr. FESS. Mr. President, I did not intend to be drawn into this side issue that is so familiar to my friend from Iowa. I am talking about the industry of manufacturing glass, and am expressing the hope that we will not take away the vestige of increased protection given by the Presidential proclamation, but, on the other hand, will at least maintain that much protection for this industry.

Mr. WALSH of Massachusetts. Mr. President, I should like to ask the Senator from Kentucky or some other Senator who has discussed this subject what explanation there is for the increased price of window glass to the American consumer for the last two years? If the American producers of window glass are meeting foreign competition which is ruinous and destructive, how can we explain their increasing their prices?

Mr. BARKLEY. There are two or three explanations that might be made. One is that the ability to control prices in the United States is largely in the hands of a very few people; and during the period when building construction here was very intensive there was a gradual increase in the price of the product. Now, it may be that that was partly due to the fact that

the cost of producing the article in Belgium increased, which made it necessary for them to increase the price at which they landed the product in New York, and the American producer took advantage of that fact to boost his own prices above those which under normal conditions he would have charged. I do not know that those two factors explain the entire increase; but I think they are important considerations entering into it.

Mr. WALSH of Massachusetts. Mr. President, usually where there is depressed business seeking tariff reduction because of loss of the domestic market through importations, there is evidence of reduction in prices, evidence that the manufacturers are obliged to sell below the cost of production in order to keep their plants going and in order to meet foreign competition. But here we have an industry asking for increased protection where it has increased the price to the consumers. Is not that the fact?

Mr. BARKLEY. That is the fact.

Mr. SMOOT. Mr. President, I think the Senator had better modify that statement somewhat. The price per pound in 1924 was 5.7 cents. In 1925 it was 5.3 cents. In 1926 it was 3.9 cents. In 1927 it was 3.5 cents. In 1928 it was 3.7 cents. In 1929 it dropped to 3.3 cents. So the price to-day is lower than it has been in the history of the business.

Mr. WALSH of Massachusetts. My information is that the price of window glass has increased during the last two years.

Mr. SMOOT. No.

Mr. BARKLEY. I put into the Record a while ago a table, which I have not at my disposal because it has gone out to the reporters' room, showing the prices of window glass of the main type imported into this country, from 1913 to the present time, and it does not show a decrease in price, it shows that for 1929 the price was higher than it was the year before. With the exception of three years, one of those years being 1923, and another one back in that period which I can not recall, there were three spurts in price above the normal price, but they were due to temporary conditions.

Mr. SMOOT. Mr. President, back in 1923 the price was 4.9 cents. Of course, it was higher. The figures have been brought up to date, at least to the 1st of January, and in 1929 the price was 3.3 cents as against 3.7 cents in 1928. And the Senator should note the decrease in production. In 1923 the production was 510,214,838 square feet, and in 1925 the production was 567,150,590 square feet.

Mr. WALSH of Massachusetts. There is no doubt but that there has been a decrease in production and imports due I assume to the cessation of building activities.

Mr. SMOOT. The price decreased from 4.9 cents in 1922, down to 3.3 cents in 1929.

Mr. BARKLEY. I have here a table taken from the Bureau of Labor Statistics—

Mr. SMOOT. My figures are taken from the Tariff Commission, and are up to date.

Mr. BARKLEY. These figures show the wholesale price of American single A. There are three or four different types of window glass—A and B, and single A and single B. These figures happen to relate to type single A. In 1926 the price range was as follows: January, \$3.90; February, \$3.90; March, \$3.90; April, \$3.90.

Each month on down it was \$3.90 for 50 square feet.

In 1927 the price was \$3.60, until September, and then it went to \$3.45.

In 1928, in January, the price was \$3.30, in February it was \$3.30, and it was \$3.30 in March and April, but in May it was \$3.90. In June it was \$3.90, and in July it was \$4.05, in August \$4.20, and remained \$4.20 all the rest of that year, and for the first eight months of 1929 it was \$4.20 for 50 square feet, showing that the price of that particular class of window glass did not decrease, but increased in 1929 over the previous years.

Mr. SMOOT. I do not know from what the Senator is quoting—

Mr. BARKLEY. I am quoting from the figures of the Bureau of Labor Statistics of the Department of Labor.

Mr. SMOOT. I will take the figures furnished by the Tariff Commission.

Mr. BARKLEY. Because they happen to be more favorable to the Senator's position?

Mr. SMOOT. No; but collecting data is the business of the Tariff Commission; that is what they are for. Their business is to give information, and they have information up to date. Not only that, but they have men in all parts of the world engaged in the collection of information.

Mr. BARKLEY. Of course, the Tariff Commission and the Commerce Department, Bureau of Foreign and Domestic Commerce, and the Department of Labor are presumably using to

some extent the same facilities for gathering information, so that I do not see why there should be any discrepancy if the figures relate to the same product.

Mr. SMOOT. There should not be. I have the figures showing the price for 50 square feet, domestic wholesale window-glass prices, single strength, A quality. In 1913 the delivered price at New York was \$2.06 for 50 square feet, and for the succeeding years the prices were as follows:

1922	\$3.22
1924	2.67
1925	2.43
1926	2.90
1927	2.49
1928	2.88
1929	2.94

That relates to grade A quality. I simply wanted to put the figures in. These figures are from the Tariff Commission.

Mr. FESS. Mr. President, my information is that there was no increase in the price but there was an increase in the sum total of the income.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kentucky.

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fess	Keyes	Smith
Ashurst	Fletcher	La Follette	Smoot
Barkley	Frazier	McCulloch	Steck
Bingham	Gillett	McKellar	Stelwer
Black	Glass	McMaster	Stephens
Blaine	Glenn	McNary	Sullivan
Bleas	Goff	Metcalf	Swanson
Borah	Goldsborough	Norbeck	Thomas, Idaho
Bratton	Greene	Norris	Thomas, Okla.
Brook	Grundy	Nye	Townsend
Brookhart	Hale	Oddie	Trammell
Broussard	Harris	Overman	Tydings
Capper	Harrison	Patterson	Vandenberg
Caraway	Hastings	Philpotts	Wagner
Connally	Hatfield	Pine	Walcott
Copeland	Hawes	Ransdell	Walsh, Mass.
Couzens	Hayden	Robinson, Ind.	Walsh, Mont.
Cutting	Hebert	Schall	Waterman
Dale	Jones	Sheppard	Watson
Deneen	Kean	Shortridge	Wheeler
Dill	Kendrick	Simmons	

The VICE PRESIDENT. Eighty-three Senators have answered to their names. There is a quorum present.

Mr. BARKLEY. Mr. President, I desire to modify my amendment on page 47, line 9, by eliminating the word "unpolished," which I sought to include. I find it is unnecessary to include that word.

The VICE PRESIDENT. Is there objection to voting on the several amendments en bloc, since they are related? The Chair hears none.

Mr. WALSH of Massachusetts. Mr. President, let the amendment be reported.

The VICE PRESIDENT. The Secretary will again report the amendment.

The LEGISLATIVE CLERK. On page 47, line 10, strike out "1½ cents" and insert in lieu thereof "1¼ cents"; on line 12 strike out "2½ cents" and insert in lieu thereof "1½ cents"; on line 14 strike out "2½ cents" and insert in lieu thereof "1½ cents"; on line 15 strike out "2½ cents" and insert in lieu thereof "1½ cents"; on line 17 strike out "3 cents" and insert in lieu thereof "2 cents"; on line 19 strike out "3½ cents" and insert in lieu thereof "2½ cents"; in the same line strike out "3½ cents" and insert in lieu thereof "2½ cents."

Mr. BINGHAM. Mr. President, I understood the Chair to ask if there was any objection with regard to voting on all these amendments at once.

The VICE PRESIDENT. That was the question submitted, because they are related amendments.

Mr. BINGHAM. Although it is true that all these amendments would achieve the same purpose, namely, reducing the present rates on glass to the 1922 rates, thereby doing away with the benefits named by the President on the advice of the Tariff Commission in accordance with the flexible provisions of the tariff law, I think we ought to have a vote on the first amendment separately, to see whether the Senate proposes to do that, because if the Senate is not willing to do it in the first instance, it will probably not do it in the other cases. But if the Senate does vote in the first instance to reduce the rate from its present state to the previous rate and thereby, as I stated earlier in the day, strike a blow at the present financial condition of the industry and the present jobs of the people employed in that industry, then I desire to obtain the floor in my own right and make an argument against any further reductions along these lines. However, if the Senate does not accept the first

amendment and is not likely to accept the other amendments, then I shall not take any time on the subject at all. Therefore, I find myself constrained to object to the request.

The VICE PRESIDENT. The Senator from Connecticut objects. The question is on the first amendment, which will be stated.

The LEGISLATIVE CLERK. On page 47, line 10, strike out "1½" and insert "1¼," so as to read:

Cylinder, crown, and sheet glass, by whatever process made, and for whatever purpose used, not exceeding 150 square inches, 1¼ cents per pound.

Mr. WALSH of Massachusetts. Mr. President, may I ask the Senator from Kentucky whether the rates named in his amendment are the rates in the existing 1922 law?

Mr. BARKLEY. The rates named in my amendment are the rates carried in the act of 1922. My amendment restores the rates to the figure at which they existed prior to the proclamation of the President, which I have undertaken to show was based upon a condition of affairs that does not now exist.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Kentucky.

Mr. BARKLEY. I demand the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HAWES (when his name was called). I have a pair with the junior Senator from Nebraska [Mr. HOWELL]. If the junior Senator from Nebraska were present, he would vote "yea." If permitted to vote, I would vote "nay."

Mr. PHIPPS (when his name was called). On this vote I have a pair with the Senator from Georgia [Mr. GEORGE]. In his absence I withhold my vote. If permitted to vote, I would vote "nay."

Mr. SCHALL (when Mr. SHIPSTEAD's name was called). My colleague [Mr. SHIPSTEAD] is unavoidably absent.

The roll call was concluded.

Mr. BLEASE. I transfer my pair with the Senator from New Jersey [Mr. BAIRD] to the Senator from Minnesota [Mr. SHIPSTEAD] and vote "yea."

Mr. PHIPPS. I find that I can transfer my pair with the Senator from Georgia [Mr. GEORGE] to the Senator from Oregon [Mr. McNARY], which I do, and vote "nay."

Mr. FESS. I desire to announce the following general pairs: The Senator from Kentucky [Mr. ROSSON] with the Senator from Alabama [Mr. HEFLIN];

The Senator from Maine [Mr. GOULD] with the Senator from Utah [Mr. KING]; and

The Senator from New Hampshire [Mr. MOSES] with the Senator from Nevada [Mr. PITTMAN].

Mr. SHEPPARD. I wish to announce a general pair between the Senator from Arkansas [Mr. ROBINSON] and the Senator from Pennsylvania [Mr. REED], who are necessarily absent.

The result was announced—yeas 41, nays 40, as follows:

YEAS—41

Ashurst	Copeland	La Follette	Steck
Barkley	Couzens	McKellar	Stephens
Black	Cutting	McMaster	Swanson
Blaine	Dill	Norbeck	Tydings
Bleuse	Fletcher	Norris	Wagner
Borah	Frazier	Nye	Walsh, Mass.
Bratton	Glass	Overman	Walsh, Mont.
Brock	Harris	Schall	Wheeler
Brookhart	Harrison	Sheppard	
Caraway	Hayden	Simmons	
Connally	Kendrick	Smith	

NAYS—40

Allen	Goldsborough	McCulloch	Stelwer
Bingham	Greene	Metcalf	Sullivan
Broussard	Grundy	Oddie	Thomas, Idaho
Capper	Hale	Patterson	Thomas, Okla.
Dale	Hastings	Phipps	Townsend
Deneen	Hatfield	Pine	Trammell
Fess	Hebert	Ransdell	Trandenberg
Gillett	Jones	Robinson, Ind.	Walcott
Glenn	Kean	Shortridge	Waterman
Goff	Keyes	Smoot	Watson

NOT VOTING—15

Baird	Hefflin	McNary	Robinson, Ark.
George	Howell	Moses	Robison, Ky.
Gould	Johnson	Pittman	Shipstead
Hawes	King	Reed	

So Mr. BARKLEY's first amendment was agreed to.

The VICE PRESIDENT. There are seven of these amendments pending and only one has been voted on.

Mr. BARKLEY. I ask unanimous consent that the remaining amendments be voted on en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The question is on agreeing to the remaining amendments submitted by the Senator from Kentucky [Mr. BARKLEY].

Mr. BINGHAM. Mr. President, I regret very much that the Senate by a majority of one has voted to strike a blow at an existing industry which received no fair warning that the rates on which they have been operating for the past two years were to be lowered. There was evidence before the Finance Committee that the imports of this item were gradually increasing. There was evidence that the decision of the President, acting on the advice of the Tariff Commission, was wise in raising the rate. We believed that the House in following the presidential rate had done the right thing, and there was nobody who appeared before the committee asking for a reduction in the House rate. The industry believed that the fact that the Tariff Commission had so recently as about two and one-half years ago recommended an increase in the rate, and the President had agreed with this recommendation and had made the increase, was sufficient to cause them to believe that the rates would continue.

Capital invested in the industry, the people employed by the industry, those who are connected with it, had no notice in the last political campaign that there was to be an effort made to reduce prevailing rates. Nevertheless, under cover of the usual shout and cry about the consumer, "protecting the dear consumer," under cover of the statement made by the Senator from Kentucky [Mr. BARKLEY] to-day that I was not interested in the consumer and therefore would not be interested in his motion, he succeeded by a majority of one in persuading the Senate to vote for a decrease in the existing rate, which is nothing more nor less than a blow at existing business, a blow in the dark, because it had not been anticipated, because the industry had been given no notice that they would have their existing rates reduced and had better show cause as to whether the rates should be continued or not.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Iowa?

Mr. BINGHAM. Not at present.

It is against that kind of thing that we all protest most emphatically. It is fear of that sort of thing which is holding back any increase in the business of the country. It is fear of that kind that is causing a slackening of business in the great metropolitan districts and a decrease in business in the department stores, and throwing out of employment of thousands of people because those who desire to invest their capital in industry do not know whether the industry is to be allowed to continue under the present law of protection or not. Although the last election and the campaign preceding it gave no notice whatsoever on the part of either party that there was to be a reduction in existing rates, the members of the coalition, taking advantage of the present situation, are succeeding in persuading the Senate to lower rates.

Several of the Members who voted for this amendment, notably the Senator who proposed it, made no objection whatsoever when increases were proposed by the Finance Committee in the rates on butter, milk, cream, and other commodities in which every consumer in the country is interested. Why was not there a voice raised against the Finance Committee for its "iniquitous" action—for it surely must have seemed iniquitous to them—when it came on the floor of the Senate and recommended an increase in the rate on foodstuffs which affect every consumer in the country? Why did they keep so still and permit those amendments recommended by the Finance Committee to go through without a protest vote or with scarcely a voice being raised against them? Was not the consumer interested in the cost of butter? Was not the consumer interested in the cost of cream and milk and the other commodities produced on the farm?

Mr. President, we heard very little at all about the "interests of the consumer" when the Finance Committee reported increases in rates on farm products. We heard no request then for a record vote on the part of the Democrats to show that they were desirous of protecting the consumer. My vote in the committee was cast in favor of raising the rates on those products; my vote on the floor, had the roll been called, would have been in favor of raising the rates on those products; but there was no effort made at that time by the Democrats to go on record to show that they were interested in the great mass of consumers.

Now, however, when window glass, which the farmers do not produce, is involved, we hear a tremendous hue and cry about the great consuming public. If it so happens that a rate on which the committee recommend an increase was not directly recommended by the Tariff Commission, then we hear a hue and cry raised that the committee is endeavoring to protect a special interest in the face of the recommendations of the Tariff Commission.

Here, however, is a case where the Tariff Commission recommended an increase in rates, and the President granted it, and

where the industry for the past two years has been going ahead along those lines; here is a case where, notwithstanding the increase in rate, we have had increased imports; and yet we find that the opponents of the measure are not satisfied unless they can protect those who buy window glass by securing a decrease in the existing rates.

Mr. President, I very much hope that the motion of the Senator from Kentucky [Mr. BARKLEY] with regard to the other rates will not prevail, and it seems to me that if Senators will consider but for a moment the effect of a blow of this kind on business—a blow in the dark against existing rates—they will vote against the amendment. A few days ago there was a tremendous hue and cry raised here when I took a similar position, it being alleged that, according to my theory, the recommendations of the Finance Committee were sacrosanct or that the existing rates were sacrosanct. A straw man was set up very elaborately and then as elaborately knocked down and destroyed. Mr. President, I make no plea for the sacrosanctity of any rates whatsoever, either those of the act of 1922 or those recommended by the President or those requested by anyone who appeared before the Finance Committee or by the Finance Committee itself. I never have made any such plea. What I am contending for, however, is that it is not fair to business, it is not fair to the workingmen engaged in the business, it is not fair to those most intimately concerned, without giving them any notice that there was to be an attack on existing rates, to proceed to lower those rates. I hope very much, Mr. President, that the remaining amendments of the Senator from Kentucky may be defeated.

Mr. BARKLEY. Mr. President, will the Senator from Connecticut yield there?

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Kentucky?

Mr. BINGHAM. I yield the floor.

Mr. BARKLEY. Mr. President, I wish only to state, in reply to the Senator from Connecticut, that it is not correct, as he has stated, that there was no anticipation on the part of the glass industry that there might be an effort made to change those rates. It is not correct that there was no hearing held by the Ways and Means Committee or the Finance Committee on the subject of window glass. I hold in my hand volume 1 of the hearings before the Senate subcommittee dealing with this particular schedule; on page 484 of those hearings there is a heading "Window glass"; and from page 484 to page 523 there were hearings on both sides by those who were opposing a decrease and those who were asking for an increase in the rate on window glass. So, if the statements of the Senator from Connecticut about other propositions in connection with this matter are as correct as is his statement in that particular, then I doubt whether any of them are entitled to very much weight before this body.

Mr. BLACK. Mr. President, I send to the desk an amendment which is intended to be proposed by me at a later date, and which I ask may be read and printed.

The VICE PRESIDENT. Without objection, the Secretary will read, as requested.

The amendment intended to be proposed by Mr. BLACK was read, ordered to be printed and lie on the table, as follows:

On page 43, line 21, in paragraph 216, strike out "45 per cent" and insert "10 per cent."

Mr. BROOKHART. Mr. President, referring to the remarks of the Senator from Connecticut [Mr. BINGHAM], the only thing sacrosanct which he has found in this situation is the right of notice. That right is sacred and notice must be given. Unless notice is given we have no right to reduce a rate.

Mr. President, there was a notice given. It was given by both parties in the shape of a promise that we would adopt such tariff rates as would bring the agricultural industry up to an equality with the other industries of the country.

The Senator from Connecticut went into the committee to carry out that notice, and voted for a number of agricultural rates which he knew and everybody else knew would be absolutely ineffective. The Senate then by amendment adopted a debenture plan, equal to half of the tariff rates imposed on agricultural products, so as to make those rates half effective. If that is to be the basis of equality, and we shall carry it through logically, as the notice was given, we should reduce the industrial rates by half, because they are all effective.

In the case of the particular amendment before us the reduction proposed is not of a half; it is not up to the notice; we are not reducing the rate as much as we gave notice we would. The industries of this country had just as well begin to learn now that the agricultural industry will be made equal with the other industries or the industrialists of the country will not be able to hold the agricultural vote in this country to the protective-tariff theory.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Kentucky. [Putting the question.] The "ayes" have it, and the amendment is agreed to.

Mr. BINGHAM. Mr. President—

Mr. McMASTER. Mr. President, I desire to call up an amendment which I have pending at the desk.

The VICE PRESIDENT. The Senator from South Dakota.

Mr. BINGHAM. I ask for a division.

Mr. WATSON. I demand the yeas and nays.

The VICE PRESIDENT. The demand for the yeas and nays is too late. The Chair had announced the result.

Mr. BINGHAM and Mr. WATSON addressed the Chair.

The VICE PRESIDENT. The Senator from South Dakota has the floor.

Mr. McMASTER. Mr. President, I wish to call up the amendment I have pending at the desk.

Mr. BINGHAM. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. BINGHAM. The Chair said that the "ayes" seemed to have it, and I immediately addressed the Chair and asked for a division. I do not think the Chair heard me.

The VICE PRESIDENT. The Chair announced the result before any Senator was heard, and the result stands. The Senator from South Dakota is recognized.

Mr. McMASTER. I desire to call up the amendment as to plate glass, which is now at the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from South Dakota proposes the following amendment:

On page 49, line 5, strike out the figures "12½" and insert in lieu thereof "11½."

On page 49, line 6, strike out the figures "19" and insert in lieu thereof the figures "13½."

On page 49, line 7, strike out the figures "22" and insert in lieu thereof "16."

Mr. McMASTER. Mr. President, I expect to modify the amendment which has just been read in reference to the duties on plate glass before it shall come to a vote, so as to restore the duties provided in the act of 1922.

The plate-glass paragraph comes to us under a different form than the ordinary tariff provision. The Ways and Means Committee of the House did not make any change, but the Finance Committee of the Senate reduced the duty on small sizes of plate glass, of which there are no importations into the country whatsoever. Therefore, the paragraph comes to us under the sanctity and the approval of a presidential proclamation, issued by President Coolidge on January 17, 1929, increasing the duties on plate glass by 26 per cent. That presidential proclamation was issued under most amazing circumstances. The Tariff Commission was equally divided. Three members recommended an increase in the duty on plate glass, and three members recommended a decrease. If three of the tariff commissioners recommended no change and three recommended an increase, there might have been some excuse for issuing the proclamation; but when the President is confronted with a divided opinion, three members of the commission recommending an increase and three recommending a decrease, notwithstanding the fact that those recommendations were diametrically opposed, the plate-glass companies received a 26 per cent increase of duties. Under those circumstances a presidential proclamation increasing the duties on plate glass was astounding.

At this point I ask unanimous consent to insert in the RECORD a table showing the duties on plate glass, and so forth, from 1909 to the present time, which includes the increases in duty made by presidential proclamation.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

Duties on plate glass, etc., by presidential proclamation
(Cents per square foot under)

	Act of 1909	Act of 1913	Act of 1922	Presidential proclamation effective, Feb. 16, 1929	Hawley bill	Senate committee
Not exceeding 384 square inches.	10	6	12½	16	12½	12½
Above 384 square inches and not exceeding 720 square inches.	12½	8	15	19	19	19
Above 720 square inches.	22½	12	17½	22	22	22

Mr. McMASTER. Another amazing phase of this situation is the further fact that the three members of the Tariff Com-

mission who recommended an increase on plate glass violated precedents of procedure which had been thoroughly established by the commission. It was necessary for them to take a 3-year average of the cost of production for the years 1923, 1924, and 1925 in order for them to reach the conclusion forwarded to the President.

If the commission had taken the average figures for the year 1925, in accordance with the long-established rule of the Tariff Commission, which was to take the latest or current year for the basis of the cost of production, the Tariff Commission would have unanimously recommended a reduction in the tariff schedules for plate glass. But three members insisted on taking the years 1923, 1924, and 1925, in violation of all precedents of the Tariff Commission; and by so doing they were able to obtain an average figure which would indicate a slight increase in the duties on plate glass. The other three members insisted on taking the year 1925, the latest year of production, and of necessity they arrived at a conclusion which would necessitate a reduction in the tariff rather than an increase.

So unusual was the procedure of at least three members of the Tariff Commission in violating, according to their own statements, the spirit of the law in arriving at the conclusion which they submitted to the President, so flagrant were the transgressions of the three members of the Tariff Commission, and so astounding was the action of the President in issuing a proclamation increasing the tariff rates on glass, that President Hoover in a public statement announced that he would not act in raising or lowering a tariff schedule unless there be a majority recommendation made by the commission—a view closely in harmony with the spirit of the law.

I will endeavor to show later in the discussion that the increase in the duties on plate glass by presidential proclamation was so unwarranted and unjustified that it serves notice upon the balance of the country as to what may be expected in the future under the flexible provisions of the law. I will endeavor to show that the same Pennsylvania interests which had been connected with enormous campaign contributions—contributions made for the purpose of obtaining big returns, plus interest, in the way of tariff increases—were instrumental in obtaining this increase on plate glass.

While it is true, therefore, that the present duties which are before us, established by presidential proclamation, come to us under the sanctity and guise of a presidential proclamation, yet, owing to the unusual circumstances surrounding the case, it is wholly within the province of the Senate to scrutinize these schedules carefully and to endeavor to make a thorough investigation of the subject.

In order to have a picture of the plate-glass industry, we might briefly review the growth and expansion of this industry, which constitutes a remarkable and illuminating story.

At this point I desire to insert in the RECORD a table showing the American production of plate glass, as well as imports for a certain period of years.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

Polished plate glass—Production in the United States, 1913–1928

Year:	Square feet
1913	51,530,829
1914	58,776,551
1915	62,133,718
1916	69,598,267
1917	66,000,000
1918	52,925,246
1919	48,639,882
1920	67,776,107
1921	53,578,682
1922	76,678,207
1923	89,069,441
1924	91,554,474
1925	117,224,294
1926	128,857,875
1927	111,390,933
1928	130,000,000

Polished plate glass imports, 1923–1928

Year:	Square feet
1923	26,267,476
1924	16,797,965
1925	15,994,683
1926	26,664,263
1927	15,050,337
1928	15,637,127

Mr. McMASTER. The estimated American production for 1929 was 150,000,000 square feet, and the estimated imports remained about 12,000,000 square feet.

The tremendous expansion of the industry started in 1921 with the production of 53,000,000 square feet, and then began to grow by leaps and bounds until in 1929 the industry reached a production of 150,000,000 square feet; and all this marvelous

expansion was under the tariff act of 1922, as the presidential proclamation for an increase of duties was not issued until January 17, 1929.

Thus we see a picture of the healthy growth, of the uninterrupted development, of constant expansion, due to the constantly increased demand for plate glass in this country, all occurring under the old schedules of duties of 1922; and it is safe to say that there is a still greater era ahead for further expansion and development. Because of the constantly decreasing prices of plate glass, due to improved methods of manufacture, it is confidently stated by those conversant with the industry that within a short time plate glass will be entirely substituted for window glass, and that field alone affords boundless opportunities for the expansion of the business.

The production of plate glass in 1929 was three times greater than it was in 1921. The importations of plate glass from Belgium remained about the same during that period, excepting during the years of 1923 and 1926, when American producers could not supply the American demand. The importations of glass beginning with 1927, 1928, and 1929 fell to about 12,000,000 square feet per annum, notwithstanding the tremendous increase in American production.

At this point I desire to insert in the RECORD a table showing the average wholesale prices of plate glass per square foot in New York.

The VICE PRESIDENT. Without objection, the table will be printed in the RECORD.

The table is as follows:

Year	3 to 5 square feet	5 to 10 square feet
1913	\$0.237	\$0.318
1918	.361	.453
1921	.627	.707
1923	.523	.700
1924	.483	.662
1925	.418	.552
1926	.398	.478
1927	.323	.395
1928	.350	.385
1929 (8 months)	.350	.385

Mr. McMASTER. Thus it will be seen from this table that there has been a constantly decreasing price of plate glass from the year 1921 down to the year 1929, and in connection with the decrease in price there has been a constant increase in the production of American glass.

It is well to have comprehensive knowledge of the general trend of the wholesale prices of all commodities from 1913 to 1929 and the general trend of prices as measured by the index prices of this group as well as other commodity groups. Information along this line, I am quite sure, will prove to be informative.

These figures will unquestionably reveal that there is no necessity for the presidential proclamation for an increase of price for this product, as this broad information will reveal that its price is already above normal.

At this point I also wish to introduce a table of the index of commodity prices as applied to the prices of groups of articles in the United States, prepared by the Department of Commerce, comparing prices in 1929 with those in 1913.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

	All commodities	Farm products	Foods	Hides and leather products	Textile products	Fuel and lighting
1913	100.0	100.0	100.0	100.0	100.0	100.0
1914	97.6	99.6	100.8	104.1	95.3	92.3
1915	99.6	100.0	101.9	110.9	94.4	84.5
1916	122.5	118.0	117.9	137.2	122.9	121.2
1917	168.3	180.4	162.8	181.8	172.3	171.9
1918	188.1	207.0	185.5	184.6	239.4	178.1
1919	198.6	220.4	201.7	255.7	236.1	170.1
1920	221.2	210.8	214.0	251.5	287.6	267.0
1921	139.8	123.6	141.1	160.4	164.9	157.9
1922	138.5	131.2	136.4	153.6	174.9	175.0
1923	144.1	137.9	144.4	153.0	194.2	158.7
1924	140.5	139.9	141.7	148.9	186.2	150.1
1925	148.3	153.6	156.1	154.8	189.0	157.4
1926	143.3	139.9	155.8	146.8	174.5	163.1
1927	136.7	139.0	150.3	158.4	167.0	141.1
1928	140.0	148.1	157.3	178.7	168.1	135.1
1929:						
May	137.2	142.9	152.2	156.8	164.4	132.3
June	138.1	144.5	154.0	158.6	162.8	135.9
July	140.4	150.6	160.1	160.4	162.0	133.8

	All com- modities	Metals and metal products	Building products	Chem- icals and drugs	House furnishing goods	Miscel- laneous
1913.....	100.0	100.0	100.0	100.0	100.0	100.0
1914.....	97.6	88.3	92.9	101.5	100.9	96.6
1915.....	99.6	95.0	94.4	139.7	99.5	93.3
1916.....	122.5	128.3	119.2	200.4	109.1	108.1
1917.....	168.3	165.9	155.6	205.7	131.8	131.1
1918.....	188.1	150.3	173.9	227.3	165.7	144.4
1919.....	198.6	144.2	203.9	195.8	188.1	149.4
1920.....	221.2	164.5	264.7	205.4	251.9	179.9
1921.....	139.8	129.4	171.8	143.4	200.7	117.3
1922.....	138.5	113.3	171.6	125.1	183.8	99.7
1923.....	144.1	120.4	191.7	126.1	193.4	106.1
1924.....	140.5	117.1	180.4	123.3	186.3	102.6
1925.....	148.3	113.7	179.4	126.9	183.1	122.3
1926.....	143.3	110.1	176.4	124.7	177.6	107.4
1927.....	136.7	108.1	164.6	120.4	174.4	96.6
1928.....	140.0	109.9	165.3	119.1	173.0	89.2
1929.....						
May.....	137.2	115.9	170.7	117.5	171.8	85.5
June.....	138.1	115.7	170.0	116.5	171.6	86.4
July.....	140.4	115.6	170.5	116.5	172.6	87.3

	July		Increase (per cent)	
	1913	1929		
All commodities.....	100	140.4	40.4	100.00
Miscellaneous.....	100	87.3	-12.7	6.35
Metals and metal products.....	100	115.6	15.6	13.17
Chemicals and drugs.....	100	116.5	16.5	1.76
Fuel and lighting.....	100	133.8	33.8	16.18
Farm products.....	100	150.5	50.5	21.25
Foods.....	100	160.1	60.1	22.53
Hides and leather products.....	100	160.4	60.4	3.65
Textiles.....	100	162.0	62.0	7.96
House-furnishing goods.....	100	172.6	72.6	1.93
Building products.....	100	170.5	70.5	5.18

Mr. McMASTER. As was stated by the Senator from Kentucky a short time ago, the average increase of price of commodities in 1929 over that of 1913 was 40 per cent; but the average increase of price of plate glass was something over 47 per cent in 1929.

I wish at this point to say that the old method of manufacturing plate glass was by casting or pouring the molten glass upon a table, where it was flattened and annealed. When cooled the sheets were embedded in a matrix of plaster and ground on a revolving table.

Within the past few years a new so-called continuous process has been developed. By this process the molten glass emerging from a tank is rolled into a long ribbon, which is annealed and later ground and polished by the use of a series of wheels or disks.

Mr. GLENN. Mr. President, will the Senator yield for a moment?

Mr. McMASTER. Yes.

Mr. GLENN. I understood the Senator to say a moment ago that one of the tables which he introduced—I think it was the last one—showed a constant decrease in price from 1921 to 1929. Is that correct?

Mr. McMASTER. Yes.

Mr. GLENN. How does that square with the statement the Senator has just made about the increase in percentage?

Mr. McMASTER. The subject under discussion a moment ago was window glass. We are now discussing plate glass. The prices of plate glass constantly decreased from the year 1921 down to the year 1929.

Mr. GLENN. The 47 per cent which the Senator has just mentioned refers to window glass?

Mr. McMASTER. The 47 per cent refers to plate glass. That is, its index price is 147 per cent compared with 100 per cent in 1913, while the average of all commodities is 140 per cent, or 40 per cent over 1913.

Mr. WALSH of Massachusetts. Mr. President—

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Massachusetts?

Mr. McMASTER. I do.

Mr. WALSH of Massachusetts. In view of the recent lecture given to the Senate for interfering with the rates fixed by presidential proclamation in the case of window glass, and in view of the fact that there are rates fixed by presidential proclamation on this item—plate glass—I should like to make a few inquiries of the Senator.

First of all, am I correct in my information that the movement to have the flexible provisions of the tariff law of 1922 invoked was initiated not by plate glass manufacturers but by certain furniture manufacturers?

Mr. McMASTER. Mr. President, in reply to the inquiry of the Senator from Massachusetts I will say that he is correct in the statement that the movement was inaugurated by the furniture manufacturers of the United States, because of the fact that they could not obtain the supply which they desired for their business.

Mr. WALSH of Massachusetts. That is exceedingly important.

The first point I make, then, is that the movement to apply the flexible provisions of the tariff act of 1922 to readjust the rates in the law of 1922 with respect to plate glass was initiated by certain furniture manufacturers who used plate glass; secondly, that their purpose in applying to the Tariff Commission and invoking the flexible provisions of the tariff act was to secure relief in the nature of a decrease in the then existing rates. Am I correct in that?

Mr. McMASTER. The Senator is correct in that statement.

Mr. WALSH of Massachusetts. So we have an outside industry petitioning for decreased rates with respect to the law of 1922. The Tariff Commission reported, three of them favoring decreased rates below the law of 1922, and three of them favoring increased rates above the law of 1922. Am I correct?

Mr. McMASTER. That is a correct statement.

Mr. WALSH of Massachusetts. The presidential proclamation affirmed the decision made by the three commissioners who favored increased rates over the law of 1922. I assume that the first amendment proposed by the Senator was to incorporate the rates suggested in the nature of a decrease by the other three members of the commission, but that he is now proposing an amendment which will restore the rates of the law of 1922.

Mr. McMASTER. Yes.

Mr. WALSH of Massachusetts. So the Senator has yielded from the rates which he first started out to incorporate here, and is now pressing only for the rates named in the law of 1922?

Mr. McMASTER. That statement is correct.

Now I will make a statement which I think will be rather illuminating to the Senator from Illinois, in view of the inquiry which he made a moment ago.

In 1921 when this new process in the manufacture of plate glass was first put into practice, or was invented, the wholesale price of plate glass was 164.8 per cent above the 1913 base for glass with an area of 3 to 5 square feet and 122 per cent above the 1913 base for glass with an area of 5 to 10 square feet. Since the average increase of all commodities was only 46.9 per cent, it shows that the wholesale price of plate glass had increased from 3 to 4 times as much as the average wholesale price of all commodities during the period from 1913 to 1921 when the casting process was used exclusively.

Since 1921 there has been a decrease in price due to the lower costs of production made possible by the development of new methods and the greatly increased domestic production. It is significant to note that in spite of these decreases in price the wholesale price of plate glass of 3 to 5 square feet in area, the sizes mostly used by the automobile industry, the largest user of plate glass, was in August, 1929, 47.7 per cent above the 1913 price, whereas the average wholesale price of all commodities was only 40 per cent above the 1913 average.

In 1923 an application to the Tariff Commission was made for an investigation of the plate-glass industry for the purpose of lowering schedules. Hearings were held in 1925 and again in 1927. Voluminous testimony was taken in 1925; the case was reopened in 1927, and extensive testimony was again taken, with the result that in February, 1929, the duties on plate glass were raised by presidential proclamation.

At this point I desire to insert in the Record a table taken from the report of the Tariff Commission, showing the differences in the cost of production of plate glass in the United States and in Belgium.

The VICE PRESIDENT. Is there objection?

There being no objection, the table was ordered to be inserted in the Record, as follows:

Total cost, f. o. b. plants, including imputed interest

[Cents per square foot]

	1923	1924	1925
United States.....	46.59	50.00	44.15
Belgium.....	23.68	23.68	26.67
Amount United States cost exceeds Belgium cost.....	22.91	26.32	17.58

Total cost, including transportation charges from plants to important markets

[Cents per square foot]

	1923	1924	1925
United States.....	48.57	51.98	46.13
Belgium.....	27.27	27.38	30.45
Amount United States cost exceeds Belgium cost.....	21.30	24.60	15.68

Mr. McMASTER. Mr. President, even a superficial examination of these costs indicates the nonrepresentativeness of a 3-year average, considering the element of growing increase of manufacture of the product by the cheaper processes up to this time. The year 1925, therefore, introduces a new order in production costs, unrelated to preceding years; and so is representative of present conditions, when the years 1923 and 1924 are not representative.

A more detailed examination shows also that the increase in the United States costs for 1924 was largely due to an increase in plant overhead of approximately 30 per cent over 1923, and that in 1925 it dropped back to approximately the 1923 figures. There was also a large increase in the imputed interest, and these two items alone account for practically the entire increase in United States cost in 1924.

The weighted average duty collected from 1923 to 1925 on imports from Belgium was slightly over 16 cents per square foot, which was greater than the difference during 1925 of cost of production plus transportation charges to the important markets. Inasmuch as the cost of production in the United States had been decreasing due to the increase in volume of business and the development of more efficient methods, and the cost of production in Belgium had been increasing due to the higher wage and transportation rates, it was evident that under the new order of production the 1925 costs should be the better guide to equalization, and that the United States manufacturers had ample protection under the tariff of 1922.

The six tariff commissioners were evenly divided as to the basis of equalization, both as to the period covered by the costs to be used and the place of equalization. As a result, one group based their findings on the average costs for 1923 to 1925 and the place of equalization as the important markets of the United States weighted accordingly, and recommended an increase of 26.2 per cent over the 1922 rates. The other group based their findings on the costs for 1925 and Cleveland, Ohio (the mathematical center of consumption of domestic plate glass in the United States), as the point of freight equalization, and recommended a decrease of 12.7 per cent.

I am simply pointing out those facts for this reason, that the three members of the Tariff Commission who recommended the increase were obliged to go back over those three years in order to obtain the figures by which they could recommend an increase in duties.

The investigation of the Tariff Commission brought out three important points.

First. That the United States manufacturers have been able to compete with Belgium plate glass in Canada in spite of the fact that the tariff on plate glass from the United States is higher than that levied on Belgium glass.

Second. That the United States production of polished plate glass has nearly trebled since 1921, while Belgium production has remained practically constant.

Third. That the costs of production as given in the Tariff Commission report are based on cast polished plate glass, whereas new and cheaper processes have been developed and are in use.

I want also at this point to say that the three tariff commissioners who recommended this increase, and insisted on taking the years 1923, 1924, and 1925 as the basis of cost, when they were considering the problem of the farmer, when they were considering the cost of wheat, insisted that the latest year of production should be taken as the basis, while some of the farmers protested, saying that they should take several years into consideration in determining the cost of wheat, for the reason that they had droughts, they had hailstorms, they had windstorms, they had pestilences, and must necessarily go back over a number of years in order to ascertain the actual cost of the production of wheat. But the same three commissioners insisted that the year 1924 should be taken as the basis, and that year alone.

Mr. WALSH of Massachusetts. Mr. President, did the commission divide along political lines?

Mr. McMASTER. I think the commission divided, so far as I know, along political lines, although I have not investigated the political faith of each member of the commission.

Mr. WALSH of Massachusetts. So there apparently was a political division, one group favoring an increase and another a decrease.

Mr. McMASTER. My personal opinion is that there were three commissioners who were dominated by administration influence, that the great influence came from the State of Pennsylvania, where hundreds of thousands of dollars were raised for national campaign purposes, and that the Pittsburgh Plate Glass Co., which dominates the plate-glass industry in the United States, powerful in political circles in Pennsylvania, used all of their political influence in bringing about the recommendation that was made by those three tariff commissioners.

Mr. WALSH of Massachusetts. It is the old story of tracing special legislative favors back to campaign contributions.

Mr. McMASTER. Yes; and, as was testified before one of the committees of the Senate, those contributions were raised on the solemn promise of their being returned with compound interest in the form of increased tariff rates.

Mr. BORAH. Mr. President, did I understand the Senator to say that the three tariff commissioners who insisted upon a certain rule with reference to plate glass reversed that rule when they came to consider farm products?

Mr. McMASTER. Yes; that statement is correct; that is, when they considered the cost of wheat, the same three commissioners, in an opinion expressed at that time, said that it was the spirit of the law that they should take into consideration the latest year of production, and therefore that one year should be taken into consideration when they were considering the cost of an agricultural product.

Mr. BORAH. It was not on account of partisanship that that peculiar change took place.

Mr. McMASTER. I would not think so.

Mr. BORAH. It was something else.

Mr. WALSH of Massachusetts. But it happened to be commissioners who represented the administration's point of view in both instances.

Mr. McMASTER. At this point, Mr. President, I wish to say that I am using certain tables here which were compiled by Mr. Lewis, who was formerly connected with the Tariff Commission, who is recognized as a student of tariff problems, and I am also using several of his quotations verbatim. I ask unanimous consent to have printed the first table, showing a comparison of figures of production of plate glass in the years 1914 to 1927, in which the component parts of the business are analyzed.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Industrial costs (glass industry as a whole, including window glass, plate glass, rolled glass, blown glass, etc.; window glass is not shown separately)

[Census of Manufacturers]

	1914	1927
(1) Number establishments.....	348	269
(2) Number salaried employees.....	4,209	5,629
(3) Number wage earners.....	74,502	65,825
(4) Total (2) and (3).....	78,711	71,454
(5) Horsepower.....	163,139	318,208
(6) Salaries.....	\$6,548,904	\$13,853,782
(7) Wages.....	\$48,655,519	\$81,352,734
(8) Total (6) and (7).....	\$55,204,423	\$95,206,516
(9) Cost of materials, supplies, etc.....	\$35,081,576	\$79,441,368
(10) Cost of fuel and power.....	\$10,934,928	\$30,470,066
(11) Total (9) and (10).....	\$46,016,504	\$109,911,464
(12) Value of products.....	\$123,085,019	\$282,394,330
(13) Value added by manufacture.....	\$77,068,515	\$172,482,866
(14) Total (8) and (11).....	\$101,221,227	\$205,117,980
(16) Capital.....	\$153,925,876	

Mr. McMASTER. Also at this point I ask unanimous consent to have printed a table containing certain deductions made from the preceding table just inserted in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	1914	1927	Per cent increase
Remainder available for dividends and unreported costs (note a) (deduct 15 from 12).....	\$21,863,792	\$77,276,350	253.44
Percentage to "Value of products," of salaries, wages, material, power, and fuel (12 into 15 for each year)..... per cent.....	82.24	72.64	113.8
Percentage "Value of product" available for dividends, etc. (deduct 15 from 12 each year and divide remainder by 12)..... per cent.....	17.76	27.36	54.1
"Value of product" per employee (divide 12 by 4).....	\$1,564	\$4,290	174.3

^a Decrease.

	1914	1927	Per cent increase
"Value added to material" per employee (divide 4 into 13 each year)	\$979	\$2,620	167.7
Percentage salaries and wages to "Value of product" (divide 12 into 8)..... per cent.	44.85	33.71	124.8
Percentage of salaries and wages to "Value added by manufacture" (divide 8 by 13)..... per cent.	71.63	55.20	122.9

¹ Decrease.

Mr. McMASTER. Mr. President, attention is especially called to the fact that the remainder available for dividends, and so forth, increased from 1914 to 1927 by 253.44 per cent. The costs not included in the data given here from the census of manufactures are taxes, insurance, advertising, and miscellaneous. Capital is not reported since 1919. Wages, salaries, materials, and fuel and (rented) power are included. Taking the grand totals of national manufacturing costs in 1914 and 1927, these reported costs constitute 81.7 per cent in 1914 and 78.5 per cent in 1927, respectively, of the value of the products. The remainder constitutes the fund available for such unreported expenses, and for profits and depreciation. In the absence of plant investment figures, precise information can not be given as to profits in the industry. However, these data do allow comparative deductions.

As explained above, this item contains certain unreported costs, as well as profits, but these unreported costs, from their very nature, tend to remain constant from year to year. It, therefore, follows that if the unreported costs were known and could be subtracted each year, the balance, representing pure profit and nothing else, would be found to have increased at a rate considerably greater than is shown for the entire item in the table. It is, therefore, conservative to state that profits in the glass industry have increased from 1914 to 1927 by at least 253.44 per cent, and probably by considerably more.

The number of wage earners in the glass industry has decreased from 74,502 in 1914 to 65,825 in 1927, a decrease of 8,677, which amounts to 11.65 per cent.

In the same period, the horsepower utilized increased 95.1 per cent, while the horsepower utilized per wage earner increased by 120.83 per cent.

These figures indicate a great increase in productivity of man power employed in the glass industry as a whole, but the actual increase in the plate-glass industry is shown more clearly by the following table:

Yearly output per man in the plate-glass industry

	Square feet
1899.....	5,240
1925.....	10,551

Increase of 1925 over 1899, 101.3 per cent.

This great increase in productivity is the result of the introduction of the continuous process of manufacture and the savings in unit time due to the handling of a larger volume of production. The direct labor costs at 1925 wage rates of the discontinuous and continuous processes show a saving of the continuous over the discontinuous of 25.1 per cent in the manufacture of rough plate glass and 43.3 per cent in the manufacture of polished plate glass.

The large increase in profits of the glass industry is also brought out in the following two tables, where the percentages of "Remainder available for dividends, etc." to "Value of products" and to "Value added by manufacture," respectively, are shown:

Percentages of value of product

	1914	1927
Salaries and wages.....	44.85	33.71
Materials and power.....	37.39	38.02
Remainder available for dividends, etc.....	17.76	27.36
Value of product.....	100.00	100.00

Percentages of value added by manufacture

	1914	1927
Salaries and wages.....	71.63	55.20
Remainder available for dividends, etc.....	28.37	44.80
Value added by manufacture.....	100.00	100.00

These tables reveal the fact that the glass industry in the United States has greatly increased its profits since 1914. In 1914 the value of the products was \$123,000,000, while in 1927 it was \$282,000,000. Of this total value in 1914 there was available for dividends, and so forth, only 17.76 per cent, or \$21,844,800, and in 1927 a total of over 27 per cent, or \$77,155,200, was so available so that profits have increased from 1914 to 1927 by at least 253 per cent.

Now, to obtain a general picture of the situation we find that the application for tariff hearings on plate glass was made in 1923, the hearings were held in 1925, that the subject was reopened again by the Tariff Commission and extensive hearings were held in 1927, and the presidential proclamation was made in 1929.

It must be borne in mind that the Tariff Commission's figures for the year 1925, as agreed to by all six commissioners, show that in reality there should have been a reduction in the duty on plate glass.

Three members of the Tariff Commission took into consideration the "average weighted cost" for the years 1923, 1924, and 1925. The rule of the commission had always been that the latest cost of production should govern in their recommendations for an increase or a decrease of a tariff schedule.

I now quote from report of Tariff Commission:

At the time when the field work preceding the first public hearing of November and December, 1925, was performed, costs of production for the new process in the United States were not obtained, because the introduction of the new process was in its early stages of development.

The unit costs for 1925 would be slightly decreased by the inclusion of the new process costs.

For the reasons set forth above it would appear that the costs of the new process for 1924 and 1925 can not properly be included in the average cost of the domestic industry. The cost comparisons in this report show the weighted average costs of production of plate glass by the customary commercial processes in the United States and in Belgium.

At this point I wish to say that one-fifth of the production of glass in 1925 was by the new process. Yet these three tariff commissioners who recommended the increase absolutely ignored any decrease in cost through this new process.

STATEMENT OF VIEWS OF COMMISSIONERS MARVIN, BROSSARD, AND LOWELL

Representatives of importers and of Belgian manufacturers favored a comparison of domestic and Belgian costs of production based upon the year 1925 alone, on the theory that section 315 of the law was designed to meet changing conditions in industry, and that therefore the latest cost data obtained by the commission in its investigation should be used.

A comparison of costs based upon the year 1925 alone would indicate a reduction in the duties on plate glass. A comparison of costs based upon 1923 costs, upon 1924 costs, or upon an average of costs for the three years 1923, 1924, and 1925 would indicate an increase in the existing rates.

Now, mind you, these are the three commissioners who recommended an increase in the duties!

You will note the statement of these three commissioners, which is as follows:

A comparison of costs based upon the year 1925 alone would indicate a reduction in the duties on plate glass.

Commissioners Dennis, Dixon, and Clark, who recommended an out and out decrease in the duty on plate glass, believed that the cost for the year 1925, and that year alone, should be taken into consideration, and recommended a decrease in the duty if 1925 were to be taken as the year of affording proper comparison for the formulation of the duty on plate glass.

Thus we have statements from all six commissioners, all agreeing that if the cost for the year 1925 were to be taken into consideration that there should be a reduction in the duty on plate glass. But it is very apparent that Commissioners Marvin, Brossard, and Lowell, in order to obtain a conclusion favorable to the American manufacturers of plate glass, they were obliged to go back over a period of three years in order to bring this about, and thus arrived at a conclusion which would be favorable to the plate-glass industry in this country.

But, ah, when these tariff commissioners were dealing with the farm problem, how different was their attitude. In 1924, when they were ascertaining the cost of the production of wheat, they were very careful to confine their investigations to the year 1924, the latest year of production, when there was a suggestion made that the cost of production should cover a period of several years, owing to the fact that the cost of production of wheat in any one year might not determine the true average

of the cost of production, for the elements of drought, pestilence, and many other factors must be taken into consideration to obtain a fair average of costs.

In 1924 Commissioners Marvin, Burgess, and Glassie, when the wheat investigation was on, insisted that in the report made to the President on March 4, 1924, that cost data for one year only should be used, the last year for which costs of production were given, for the reason that—using, now, Commissioner Marvin's own language:

The dominant purpose of the flexible provisions of the tariff act of 1922 is adjustment to meet changing conditions in industry. This is evidenced, among other things, by the direction to modify or terminate the proclaimed increase or decrease when it appears that the differences in costs which led to such proclamation have changed or no longer exist. * * *

While in a proper case averages running over a number of years may unquestionably be taken into consideration, yet, ordinarily, the primary and dominant purposes of the statute can be best put into effect by using the cost data which are most nearly contemporaneous. The operation of the flexible-tariff provisions is in a legal sense prospective. But it is not always wholly prospective in its economic operation. * * * Unfortunately the data upon which any change is proclaimed must of necessity be drawn from a time prior to the legal change in rate. This circumstance makes it all the more necessary that the data should reflect, as nearly as may be, existing conditions. * * *

In a report of Commissioners Dennis, Dixon, and Clark, who recommended a decrease in the duties, I wish to quote as follows:

We believe the cost difference of 1925 will more likely be representative of future cost than will those derived from the figures for 1923 to 1925. The latest available data are the safest basis and the cost data for 1925 are probably nearer the present cost of production of plate glass than is the 3-year average for 1923, 1924, and 1925. It is even probable that the 1925 cost is much higher than the present cost. This is indicated by the fact that the price of plate glass has fallen perceptibly since 1924, until in 1927 the price was less than half that of 1924. The price per square foot of plate glass of glazing quality, automobile sizes—under 720 square inches—was 85 cents in 1924, 63 cents in 1925, 50 cents in 1926, and 42 cents in 1927. If prices are to be taken as at all indicative of costs of production, in view of the steady and continued downward trend in price, it seems clear that the latest available cost—i. e., the costs for 1925—would be more representative of present-day costs and of future costs than are those of the earlier years of 1923 and 1924. This is particularly true in view of the fact that more than 60 per cent of the sales of domestic plate glass in the United States is of a glazing quality under 720 square inches in size, and the further fact that the major portion of the production by the continuous process—costs of which are shown in confidential section—has been of this smaller-size glass, making the continuous-process glass a matter of substantial importance. The fall in price, however, has not been limited to the smaller sizes. Table 14, page 12, of the commission's report shows United States and Belgian wholesale prices, as of August, 1925, for the different cut sizes and stock sizes of all qualities of cast polished plate glass, and in footnote 1 it is stated: "Wholesale prices of both Belgian and domestic plate glass have been reduced since the above data 25 to 30 per cent." The downward trend of domestic prices is a very strong reason for the use of the 1925 figures for the purpose of cost comparison.

Thus these three commissioners clearly set forth in a very logical and convincing manner the reason why the year 1925 should be taken for the average cost of production. Let us review the reasons set forth by Commissioners Marvin, Brossard, and Lowell for taking the years 1923, 1924, and 1925. To use their own language, one of the two reasons is that 1925 was a year of large production in the United States and of low production in Belgium. This opinion was written in 1928 when these three commissioners had ample knowledge and information of the fact that the production of 117,000,000 feet in 1925 in America was but the beginning of an era of still greater expansion. They also had ample knowledge of the fact that the average production for Belgium continued about the same thereafter.

It will be noted that there has been a constant decrease in the price of plate glass. The report of the Tariff Commission itself says that since 1925 the wholesale price of both Belgian and domestic plate glass has been reduced since the above data 25 to 30 per cent. Production was greatly increased. Therefore, on account of the great expansion of the business, the economy effected, constitutes a valid reason for taking the 1925 figures for the purpose of cost comparison.

I desire to present statements showing the new plants which have been built since 1923, equipped for the purpose of using the continuous process, or what is known as the Bichareaux process.

Now, it must be remembered that the presidential proclamation was not made until January 17, 1929, yet in a statement made March 12, 1928, by the chairman of the board of directors of the Pittsburgh Plate Glass Co., which produces about one-half of the domestic output, shows that recently the continuous process has become firmly established. The statement reads in part as follows:

PAGE 37—CONTAINED IN STATEMENT OF VIEWS BY COMMISSIONERS DENNIS, DIXON, AND CLARK

The energy of the plate-glass manufacturing department has been directed with satisfactory results toward reduction of the cost of production and maintenance of a high standard of quality. The Creighton plant has been further developed and is now the largest and most modern producing unit in this country. The process is continuous and has marked advantages for certain purposes over the intermittent method. After a long period of experimentation a new casting process has been developed, patented, and placed in successful operation in the Ford City plant. This will be followed by the installation of continuous grinding and polishing machinery specially designed to produce wide ranges of sizes and qualities. An appropriation of \$5,500,000 has been made for this purpose. A melting tank and annealing lehr with complete equipment for experimental purposes have been built in the Creighton plant.

At this point I wish to insert another table showing the comparative total productions through the old and new methods of manufacturing for the years 1923, 1925, and 1928.

	Cost period covered by Tariff Commission's investigation, 1923, 1924, and 1925			1928
	Average for period 1923-1925		1925	
Process:	Per cent	Per cent	Per cent	
Casting (old).....	89.36	83.13	71.78	
Continuous (new).....	10.64	16.87	21.80	
Other new methods.....			6.42	
Total.....	100.00	100.00	100.00	

Now let us bear in mind that the Tariff Commission did not take into consideration the new process of manufacturing glass which was being introduced and was established at the time the Tariff Commission made its findings.

The Pittsburgh Plate Glass Co. (see Exhibit 37), have what is known as the second unit at Creighton, Pa. Annual productive capacity is 10,000,000 square feet.

Ford Motor Co., at St. Paul. (See Exhibit 42.) Annual productive capacity is 6,000,000 square feet.

Edward Ford Plate Glass Co., at Rossford, Ohio. (See Exhibits 35 and 44.) Annual productive capacity is 15,000,000 square feet. This plant is now being completed and will be operating very shortly.

The National Plate Glass Co., at Ottawa, Ill. (See Exhibits 32 and 34.) Annual productive capacity is 24,000,000 square feet. This factory has just started operation.

The Libbey-Owens Sheet Glass Co., at Toledo, Ohio. (See Exhibit 4.) Annual productive capacity is 16,000,000 square feet. This factory is now being completed.

The foregoing are the plants which have been built since 1925, with a total annual productive capacity of 71,000,000 square feet of plate glass.

The following are the plants which were built prior to 1925: The Pittsburgh Plate Glass Co., at Creighton, Pa. (See Exhibit 1015.) Annual productive capacity of 10,000,000 square feet. This plant was put in operation in 1924.

Ford Motor Co., at River Rouge, Detroit, Mich. (See Exhibit 45.) Annual productive capacity of 12,000,000 square feet.

The Libbey-Owens Sheet Glass Co. While the production of that factory in 1925 was comparatively small, it was greatly increased during the years 1926, 1927, and 1928. It now amounts to 16,000,000 square feet of plate glass, all of which is manufactured by the new methods. (See Exhibit 4.)

Consequently the full productive capacity of plants with new methods of manufacturing amounts altogether to 109,000,000 square feet. This is considerably more than half of the total productive capacity of the American plate glass factories which reached approximately 150,000,000 square feet in 1929.

Everyone concedes that the continuous process is much cheaper than is the old casting process. There is a difference

of opinion as to what the exact figures are. Some claim that it is as high as 35 per cent.

Here is a letter from the H. L. Dixon Co., which is a company with a national reputation in the engineering field, which was called upon to draw up plans for a new factory with a capacity of 10,000,000 square feet. While this letter does not state definitely what the estimated reduction of costs would be, yet I have quoted from the letter which is on file with the Tariff Commission:

The cost of the installation of a modern plant by the new process is not only much less than the cost of the old type of factory but the cost of manufacturing the glass is very greatly reduced.

Frank Judson, of the Pittsburgh Plate Glass Co., expressing his opinion in reference to a certain table shown by Mr. Gilmore, stated in December, 1928, according to the National Glass Budget:

It was a great compliment to the manufacturers of plate glass, because it showed that through improved methods the producers' prices of plate glass in the last six years had been reduced from 80 to 35 cents per square foot.

Of course all of that reduction was not entirely due to the improved methods, but were due to other contributory causes.

I now want to call the attention of the Senate to the fact that this statement shows that in 1929, 50 per cent of all the plate glass manufactured in the United States was manufactured by the continuous or Bichareaux process; that this process alone decreased the cost of manufacturing plate glass from 25 to 30 per cent; and yet the Tariff Commission or the three commissioners who recommended the increase absolutely refused to consider these decreased costs brought about as a result of improved methods which had been installed back in 1925, until to-day 50 per cent of all of that glass is manufactured by that process.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

The VICE-PRESIDENT. Does the Senator from South Dakota yield to the Senator from Massachusetts?

Mr. McMASTER. I yield.

Mr. WALSH of Massachusetts. Has the Senator any information as to the basis upon which domestically produced plate glass is sold in Canada in competition with Belgian plate glass?

Mr. McMASTER. I was coming to that a little later.

Mr. WALSH of Massachusetts. Will the Senator bring out the fact that domestically produced plate glass sells in Canada in competition with Belgian plate glass, although the duty paid by the Canadians upon United States plate glass is higher than the duty which is paid upon Belgian plate glass?

Mr. McMASTER. Mr. President, I will answer the Senator by going into that matter now. I wish to say that I have here the original invoice sheets of the Pittsburgh Plate Glass Co., upon which they sold glass to a Canadian firm and sold it at 20 to 25 per cent cheaper than they were selling the same plate glass in the United States, notwithstanding the fact that there is a Canadian duty upon American plate glass which is higher than the duty upon Belgian plate glass. I also have an original invoice from a firm in Mexico, the invoice sheets of the Pittsburgh Plate Glass Co., showing that the Pittsburgh Plate Glass Co. were selling plate glass in Mexico about 15 per cent cheaper than they were selling it in the United States.

I will also say in this connection, however, that so powerful is the Pittsburgh Plate Glass Co. in the industry and the influence that it has upon manufacturers and upon its customers is so great that not one of those people who furnish these invoices dare permit their names to be used, although some of them reside in foreign countries. Can anyone imagine the far-reaching influence of an American company that spreads such terror into the hearts of foreigners that they do not even dare to permit their names to be used in this connection?

Mr. WALSH of Massachusetts. Mr. President—

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Massachusetts?

Mr. McMASTER. I yield.

Mr. WALSH of Massachusetts. It is a fact, is it not, that domestic plate-glass producers sell their excess output in Canada?

Mr. McMASTER. Yes.

Mr. WALSH of Massachusetts. And have been enabled to develop a substantial business there although the protective tariff duty is higher on American plate glass than on Belgian plate glass in Canada?

Mr. McMASTER. Yes. The American companies, particularly the Pittsburgh Plate Glass Co., have been able to establish a considerable business in Canada. That is true; but, of course, there has been such an enormous expansion of the plate-glass

industry in the United States that it has taken most of the efforts of the American companies to supply this particular demand.

The average selling price of plate glass in 1928 in this country was 35 cents per square foot. According to the Tariff Commission's report, the cost of plate glass back in 1925 was 44 cents per square foot. It was upon the basis of the cost of plate glass being 44 cents per square foot that the three tariff commissioners recommended an increase in the duty, and yet they wrote their opinion in the latter part of the year 1928 at the very hour when plate glass was selling in the United States at an average of 35 cents per square foot, or 9 cents less than the cost which the Tariff Commission gave as the basis upon which they made their recommendation for an increase in the tariff.

Mr. GLENN. Mr. President—

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Does the Senator from South Dakota yield to the Senator from Illinois?

Mr. McMASTER. I yield.

Mr. GLENN. Is that statement applicable to all sizes of glass?

Mr. McMASTER. That is the average price of all sizes.

Mr. GLENN. Is not that figure based chiefly upon the smaller sizes of plate glass?

Mr. McMASTER. No. I have here a table of the various sizes. Of course, the sizes which are predominantly used in this country are the small sizes, such as are used in the automobile industry. But taking what are called the intermediate size and the smaller size, those two classes of plate glass in the United States are the ones which are predominantly used in this country.

Mr. GLENN. The explanation that I have seen advanced is that the small sizes of plate glass, sold below the figure at which the Tariff Commission found the cost to be, are sizes which are produced largely as a result of imperfections in making the larger sizes.

Mr. McMASTER. In answer to that statement I will say that it is not true that a majority of the small sizes are the result of imperfect manufacture. As a matter of fact, the Ford Co. manufactures about 22,000,000 square feet of glass a year and, of course, most of it is in automobile sizes—that is, in the smaller sizes—and it is ridiculous for anyone to make the statement that the Ford Co. is manufacturing 22,000,000 square feet of the smaller sizes and that they come from imperfect manufacture of the larger sizes. They know how to manufacture the small sizes and they do it perfectly. It is true that in the manufacture of the very large sizes some of the larger plates may become broken or imperfections may develop in the making and then they cut some of those larger plates into smaller plates and use the residue in that way.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Utah?

Mr. McMASTER. Certainly.

Mr. SMOOT. The smaller sizes which are made by Ford are never sold on the market.

Mr. McMASTER. Oh, yes; they are to a certain extent.

Mr. SMOOT. But to such a small extent that it is hardly worth mentioning.

Mr. McMASTER. I shall take all of that into consideration a little later in the discussion.

Mr. SMOOT. I am not objecting to anything that was said and I do not believe the Senator inferred any other thought than the statement which I just made. All I wanted to do was to call the attention of the Senator from Illinois [Mr. GLENN] to the fact that the plate glass which is made by Ford is only of the sizes that are used in the automobile industry and not for the general market. They may sell a very small quantity of it where there is an overproduction, but that it about all.

Mr. McMASTER. Be that as it may, I was simply explaining that he makes perfect small sizes of plate glass.

Now, the average selling price in 1928 was 35 cents per square foot. According to the Tariff Commission's figures, the production cost f. o. b. plants for 1925 was 44.15 cents per square foot. Thus, three years after the commission stated that the production costs were 44.15 cents per square foot, we find the American selling price to be 35 cents per square foot, and that is an unmistakable demonstration, an inescapable proof of the statement that the decreased costs of the new process and decreased costs of greater production have brought the average selling price of plate glass down to 35 cents. Yet, I call attention to the fact that the presidential proclamation for an increase in the duty on plate glass in 1929 was made at the time when all of these facts were available, and that three members of the Tariff

Commission made their recommendations at the very time when new factories had been built and where the continuous process had been installed in other factories. It was made at the very time when the average selling price of plate glass was 35 cents per square foot, and yet the proclamation was based upon the fact that the cost of plate glass in this country was 44.15 cents per square foot.

Can not anyone imagine the tremendous pressure which was brought to bear upon the three members of the Tariff Commission to make this unwarranted recommendation for an increase of duties? The Pittsburgh Plate Glass Co. employed a former Senator, Senator McCumber, to appear as their counsel before the Tariff Commission. When campaign contributions were made in the State of Pennsylvania by the manufacturers, under the promises that they would be returned with interest, the increase in the duty on plate glass was a fulfillment with a vengeance of those promises.

There was never any more glaring misuse of official power than was the deliberate increasing of the tariff rates on plate glass, all of which was done in spite of the fact that every sound reason, every fact, and also every circumstance, demonstrated that there really should have been a reduction in the duties on plate glass rather than an increase in the duties. The whole procedure was an indictment of the flexible provisions of the tariff act. The action of those three officials of the Tariff Commission was a betrayal of a public trust.

Mr. President, I wish to say a word now in regard to the testimony brought before the Tariff Commission by a man by the name of Tucker. He was president of the Standard Plate Glass Co. Mr. Tucker testified before the commission that his company was being crushed by foreign competition. He was a stool pigeon used by the Pittsburgh Plate Glass Co. in getting its testimony before the commission. I wish to say before I go into the discussion of the Standard Plate Glass Co. and its financial difficulties that Mr. Tucker, because of the valuable testimony which he gave to the Tariff Commission, being used, as I said, as a stool pigeon for the Pittsburgh Plate Glass Co., soon received his reward therefor—not his reward beyond, but an earthly reward, because the Pittsburgh Plate Glass Co. gave him a splendid berth with that institution.

Mr. President, it would be illuminating at this point to review briefly the financial condition of the companies which are engaged in the manufacture of plate glass. I have here a certified copy of the report of Towbin & Roth, certified public accountants, 1400 Broadway, New York, in reference to the financial condition of the Pittsburgh Plate Glass Co., the Libbey-Owens Sheet Glass Co., and the Standard Plate Glass Co. Of course, there is naturally no report from the Henry Ford operations, because those operations are a part of a gigantic manufacturing institution, but I will say that Mr. Ford in a letter stated that—

The protective tariff of to-day—

That is, speaking of the tariff act of 1922—

is certainly high enough to protect the American industry, considering the small amount of labor required to make plate glass. If you will look into the question you will find the biggest part of the cost of manufacturing polished plate glass is for raw materials, such as coal, sand, soda ash, freight, etc. The labor cost per square foot at this time is normal.

Mr. President, at this point I wish to ask permission to introduce into the RECORD a table showing the net earnings of the Pittsburgh Plate Glass Co., and I am glad that the junior Senator from Pennsylvania [Mr. GRUNDY] is in the Chamber, because this industry particularly concerns the great State of Pennsylvania.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

The table is as follows:

Net earnings of the Pittsburgh Plate Glass Co.

Calendar year	Net income	Dividends paid	
		In cash	In stock
1920.....	\$8,595,915.79	\$3,355,964.00	\$6,154,640.00
1921.....	6,742,875.59	2,948,490.00	-----
1922.....	9,275,803.72	4,805,288.00	-----
1923.....	19,113,123.67	8,161,189.50	11,151,060.00
1924.....	13,154,273.83	13,137,918.00	-----
1925.....	12,122,810.95	8,826,334.00	-----
1926.....	10,016,947.60	8,854,056.00	-----
1927.....	6,523,768.91	6,395,596.00	-----
1928.....	8,468,773.15	4,037,301.50	4,293,900.00
	94,014,293.21	60,522,137.00	21,599,590.00

Mr. McMASTER. The earnings of this company for the years from 1920 to 1928 amounted to \$94,014,293.21. Those were the earnings of the company which received the benefit of the presidential proclamation increasing by 20 per cent the duty on plate glass. It paid out in dividends during those eight years the sum of \$60,522,137. It paid out in stock dividends \$21,599,590. This statement is made by the firm of public accountants, and, according to their statement, this would be the net result:

It is to be noted that more than \$94,000,000 of profits were made in the nine years on an average capital investment of less than \$20,000,000 because over \$60,000,000 had been withdrawn in cash dividends in the nine years representing average deduction of over \$30,000,000 from the 1920 capital and surplus investment of about \$50,000,000, making a total profit of 470 per cent or 52 per cent per year. One thousand dollars invested on January 1, 1920, would amount on December 31, 1928, to \$5,700.

This is the financial condition of one of the companies which needs further protection at the expense of the American public because it can not meet foreign competition!

Mr. WALSH of Massachusetts. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Massachusetts?

Mr. McMASTER. Yes.

Mr. WALSH of Massachusetts. That is the company which produces 77 per cent of all the plate glass produced in the United States for the general market aside from that used by the automobile manufacturers?

Mr. McMASTER. The statement made by the Senator from Massachusetts is correct. That company produces approximately 77 per cent of all the plate glass that is used outside of the automobile industry. They dominate, they dictate, and they control the price of American plate glass. They are the price leaders, and they set the price and dominate and control the market.

So long as we are discussing the Pittsburgh Plate Glass Co., I wish to show some of their methods. I stated that they were the dominating, controlling company of the country so far as plate glass is concerned. There is, however, a man by the name of Sleigh, the president of the Sleigh Furniture Co., of Grand Rapids, Mich. He is the head of the largest furniture manufacturing company in the United States, and he was one of the men who petitioned the Tariff Commission for a lowering of the schedules in the tariff act of 1922. He attended the hearing held by the Tariff Commission in 1925 and stated the facts. He stated what he thought was the truth in regard to this industry. Then he proceeded to journey back to Grand Rapids, Mich., and to order a carload of plate glass from the Pittsburgh Plate Glass Co.; but that company boycotted him; it refused to sell him a foot of plate glass because he had the courage to go before the Tariff Commission and testify in favor of lowering the duty on plate glass.

Mr. GLENN. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Illinois?

Mr. McMASTER. Yes.

Mr. GLENN. I merely wish to say that in Illinois there is, I think, as much furniture manufactured as in Michigan, and I do not recall any complaint from any factory in Illinois along the line the Senator from South Dakota has suggested.

Mr. McMASTER. Did I refer to the State of Illinois?

Mr. GLENN. No; the Senator did not.

Mr. McMASTER. I have letters in my office from manufacturers in Illinois who complain about the present tariff.

Mr. GLENN. That may be, but I am talking about the practice to which the Senator referred.

Mr. McMASTER. As the company of which Mr. Sleigh is the head is probably one of the strongest manufacturing concerns in the United States, and has a strong financial reserve, its business, of course, was not ruined because the Pittsburgh Plate Glass Co. refused to sell it glass, but Mr. Sleigh immediately placed his orders with Belgian companies, and, of course, from that day to this he has been buying every dollar's worth of plate glass needed by his company from Belgium.

Mr. GLENN. I presume that while he is advocating a very high tariff upon his furniture he wants to obtain his raw material without a tariff?

Mr. McMASTER. No; I will tell the Senator why he deals with Belgium. He wants to obtain his plate glass under decent circumstances. He and many other manufacturers of furniture in the United States have repeatedly sent their orders to the Pittsburgh Plate Glass Co. and other plate-glass companies in the United States for what is known as mirror glass; but the Pittsburgh Plate Glass Co. and other big plate-glass

manufacturers in the United States say to the furniture manufacturers, "We will not take the pains to manufacture mirror glass; we will sell you the plate glass as it comes from our factories and you can take it to your factory, take the time to sort it, use the best of it for mirror glass, and then take the remainder and use it for other purposes." Yet all the furniture manufacturers in the United States can go to Belgium and say, "We want mirror glass"—which is the first-quality glass—and those foreign factories will furnish that type of glass to the American furniture manufacturers, and keep it in stock. That is the complaint of the American furniture manufacturers. The Pittsburgh Plate Glass Co. is so arrogant and so dominating that if it does not care to fill the orders of the furniture manufacturers it turns them down, and yet it insists on a tariff being erected that will absolutely compel the American furniture manufacturers to buy a type of glass which they do not want.

Mr. GLENN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota yield further to the Senator from Illinois?

Mr. McMASTER. Yes.

Mr. GLENN. The Senator's position is, then, that this great monopoly, the Pittsburgh Plate Glass Co., which is well equipped financially, mechanically, and in every other way to produce glass as cheaply as anybody in the world, seeks the Canadian market and European markets instead of taking the market at home?

Mr. McMASTER. It does not have to seek European markets, because the Pittsburgh Plate Glass Co. has its own factory in Belgium. That company has gone over there and established a factory; it does not have to bother about the European market.

Mr. GLENN. If that company has a factory in Belgium, why does it object to a lowering of the duty?

Mr. McMASTER. I will ask the Senator to tell me the answer to that question.

Mr. GLENN. I am asking the Senator from South Dakota.

Mr. McMASTER. That is what I want to know; that is what we all want to know.

Mr. GLENN. Can the Senator answer why it is, if this great American trust, so called, has a factory in Belgium, it is objecting to lowering the duty upon this product? If that be true, why does it not reenforce and support the efforts the Senator from South Dakota is making to reduce the tariff rate, so that, instead of paying from \$6 to \$7 a day for American labor, it could manufacture the product abroad and bring the glass in manufactured by labor at \$1.50 a day?

Mr. McMASTER. The same opportunity of which the Senator from Illinois speaks is to-day open to every manufacturer. If he wants to go abroad and establish a factory, he can do it and take advantage of cheaper materials over there and of cheaper labor. There is nothing to prevent any manufacturer from taking the position that the Senator suggests in regard to the Pittsburgh Glass Co. That company, as I have said, has already established a plant in Belgium. The reason the Pittsburgh Glass Co. operates a factory in Belgium is for the purpose, of course, of competing with foreign producers in the European market and in the home market. That is the reason.

I should like to ask the Senator from Illinois, does he think, in view of the dividends and earnings which have been made by this company, that an increase in the duty on plate glass is justified?

Mr. GLENN. I will answer the Senator from South Dakota by saying that if money is to be made in the manufacture of plate glass, I prefer to have it made by the American manufacturer and the American laborer rather than by the Belgian producers, 80 per cent of whom are in a combination or trust. If money is to be made, let us have it made in America by American labor and by American capital, rather than having it made in Belgium by underpaid labor, earning \$1.25 a day, competing with American labor earning \$7.50 a day.

Mr. McMASTER. That is the old argument that has been used on the floor—

Mr. GLENN. It is an old argument but is one which has stood the test of time.

Mr. McMASTER. It is the old argument which has been used whenever the advocates of high protection have run out of arguments. Under those circumstances it is always the argument that has been brought forth upon the Senate floor. It is not a question as to American capital or American labor; we are talking about plate glass.

Mr. GLENN. Oh, yes.

Mr. McMASTER. What does it cost to produce plate glass in the United States? What is the financial condition of the companies which have been producing it? Are they prosperous? Do they need further aid from the American consumer in order

to pile up unnecessarily high profits? We are considering the tariff bill schedule by schedule, and the facts which we have obtained from the Tariff Commission ought to be taken into consideration and be the dominating factor that shall guide us in our votes. So the general proposition of American labor and American capital does not enter into this question except in so far as we ought actually to protect American labor and American capital. We should not protect them to the extent of excessive profits at the expense of the consumers of the United States.

Mr. President, I have gone into the financial statement of the Pittsburgh Plate Glass Co. The financial condition of the Libbey-Owens Co. has been stated two or three times on the floor of the Senate this morning, and I am not going to repeat it, except to say that the public accountants of New York to whom I have referred, in reviewing the facts and figures in regard to the Libbey-Owens Co., show that on a capital of \$7,600,000 from the year 1921 to the year 1928 they made \$21,000,000, or figuring it from the standpoint of these public accountants again as an actual earning upon the capital invested this is what they say:

It is to be noted that nearly twenty-one and three-quarters millions of dollars of profits were made in the eight years on an average capital investment of three and three-quarters million dollars, because seven and one-half million dollars had been withdrawn in cash dividends in the eight years, representing an average deduction of three and three-quarters millions dollars from the 1920 capital and surplus investment of seven six-tenths millions, making a percentage of 580 per cent, or 72 per cent per year, without any capital and surplus revision and 1,000 per cent for the eight years, or 125 per cent per year based upon revised capital and surplus. One thousand dollars invested on October 1, 1920, would amount on September 30, 1928, without capital and surplus revision, to \$6,710, and based upon capital and surplus revision, \$11,000.

Yet there are those who think that we ought to protect American capital and American dividends and earnings by giving further increases in duty to a company that has already made such enormous profits.

Mr. GLENN. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Illinois?

Mr. McMASTER. Yes.

Mr. GLENN. Did the Senator in his investigation of the financial condition of the plate-glass companies also inquire into the profits made by the Belgian trust, or did he confine his study of profits to American companies?

Mr. McMASTER. I did not go all over the world inquiring into the conditions of other countries. All that I was interested in was American capital, American labor, the American farmer, and the American consumer. I felt that after a plate-glass company or companies in the United States had made enormous and excessive earnings there was no need of raising the tariff to permit them still further to pile up the taxes which they were taking from the consumers of this country. I felt that if we stayed at home, if we were fair with American capital and fair with American labor, then we would be performing our duty.

Mr. HARRISON. Mr. President—

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Mississippi?

Mr. McMASTER. Yes.

Mr. HARRISON. The Senator may have inserted in the Record—but I did not hear it—the earnings in 1928 of the Pittsburgh Plate Glass Co.

Mr. McMASTER. I have them here, Mr. President; that is, I have the earnings of 1929 here, I think.

Mr. HARRISON. The earnings of 1928, as revealed by the Secretary of the Treasury, were \$9,676,000.

Mr. McMASTER. I will say to the Senator from Mississippi again that the earnings of the Pittsburgh Plate Glass Co. in 1929, according to their own statement, amounted to \$12,000,000, \$3,000,000 more than in 1928.

Mr. HARRISON. There was something there that the Treasury did not find out.

Mr. McMASTER. The Senator from Pennsylvania [Mr. Reed] on February 7, 1927, in a newspaper statement declared that foreign manufacturers of plate glass were conducting a drive in this country to control the domestic market, and were selling their product to the American market below the domestic cost of production, and that the American plate-glass industry was on the brink of destruction. No doubt he had in mind the tragic situation of the Standard Plate Glass Co., whose deficits or losses were not due to foreign competition nor to domestic competition but were due to high financing and the watering of assets and stock. It was Mr. Tucker, president of the Standard Plate Glass Co., who went before the Tariff Commission and testified that his company could not meet foreign competition;

that they were being ruined by the importation of Belgian glass. That is the same Mr. Tucker who, after being used as a stool pigeon by the Pittsburgh Plate Glass Co., was given a very lucrative position with that company shortly after the hearings were held before the Tariff Commission.

Now, what about the Standard Plate Glass Co. that were losing money, that could not meet foreign competition? The Standard Plate Glass Co. were in a very prosperous condition prior to 1923. In the year 1923 they consolidated with the Heidenkamp Plate Glass Corporation, and it was the high financing incidental to that organization that brought about the financial difficulties of which they complained before the Tariff Commission.

These public accountants say that on March 31, 1923, before the consolidation, the plant and equipment schedule of the Standard Plate Glass Co. was carried at \$2,163,367, which was the reconstruction cost appraised by Ford, Bacon & Davis; but after the consolidation it was increased to \$8,511,055, an increase of \$6,347,688.

It must be borne in mind, however, that the output of the Heidenkamp Plate Glass Corporation was only half the output of the Standard Plate Glass Co. The depreciation reserve of the Standard Plate Glass Co. on March 31, 1923, was \$357,684; but on December 31, 1923, it had grown to \$2,147,052, an increase of \$1,789,368, which, of course, had to be charged out of the current earnings of the year. Deducting this item of depreciation left a net increase of \$4,558,320, which amount constituted an increased capitalization brought about by the consolidation with the expectation that the earnings would be increased by acquisition of this increased plant and equipment to pay dividends on the stock representing it.

In view of the fact that the output of the Heidenkamp plant was less than half that of the Standard Plate Glass Co.'s plant, the increased capitalization of the new company should have been less than half the depreciated plant on March 31, 1923, which should have been \$1,805,683, whereas the actual increase was \$4,558,320. The record shows that prior to the consolidation in 1923 the profits of the Standard Plate Glass Co. from 1919 to 1922 amounted to \$3,563,593 upon an actual capital of only a little over \$2,000,000, but that it was the high financing connected with the consolidation of the Heidenkamp Co. that brought about the deficit in the earnings of the Standard Plate Glass Co., and that foreign competition or domestic competition had nothing whatever to do with these financial losses. Senator REED's statement, made on February 7, 1927, that the plate-glass industry was facing ruin and destruction is in strange contrast to an extract taken from the National Glass Budget, November 23, 1929, which reads as follows:

The Pittsburgh Plate Glass Co. has just declared an extra dividend of \$1 per share, together with the regular quarterly dividend of 50 cents, both of which will be payable December 31, 1929, to stockholders of record December 10. We are given to understand that the company's earnings this year will be approximately \$12,000,000 net, as compared with \$8,500,000 last year, after depreciation, Federal taxes, and all other deductions have been made.

So, Mr. President, the troubles of the Standard Plate Glass Co. were not due to foreign competition, were not due to domestic competition, but were due to the high financing of their officials in connection with the consolidation of the Standard Plate Glass Co. with the Heidenkamp Co.

Now, I have reviewed practically the financial condition of the companies which manufacture 80 per cent of the plate glass in this country; and we find that they are in a highly prosperous condition with the exception of the Standard Plate Glass Co., which owes its deplorable condition to improper management. And it must be borne in mind that all of this has been accomplished with a constantly decreasing price of plate glass; that the average price to-day is less than 35 cents per square foot on the American market; and that the present tariff rates were based on an average cost of more than 44 cents per square foot. We have the spectacle of all plate glass being sold at 9 cents a square foot less than the cost of production as given by the Tariff Commission in 1925; and yet upon those high costs of production, which were unfairly arrived at, there was a presidential proclamation increasing the duties on plate glass!

Mr. President, in concluding I wish to make this statement:

Here is this little country of Belgium, whose people buy of us \$111,000,000 worth of manufactured products and of farm products annually, and we buy of them only about \$70,000,000. In other words, the trade balance is more than 50 per cent in our favor. We were told when this bill was being brought here in the Senate that it was an agricultural bill, and yet we find in this bill an attempt made to take away from Belgium their little importations of cement and of brick and of plate glass, destroying that American market for \$50,000,000 worth of agricultural products.

I want to know what kind of a policy we are pursuing here. Here we have a trade balance in our favor of 50 per cent, Belgium buying \$50,000,000 of our agricultural products; and yet we propose to take away the American market for the small amount of goods that she sells here, and thus demoralize an American market not only for manufactured products but also for agricultural products.

Mr. President, before the amendment is voted on, I ask unanimous consent that it be modified so as to read the same as the schedules of 1922.

The PRESIDING OFFICER. If there is no objection, it is so ordered.

Mr. FLETCHER. Mr. President, I have a statement to the effect that in 1927 Belgium took in excess of \$25,000,000 of American wheat, whereas the imports of plate glass from Belgium amounted to but \$2,000,000, a small fraction of the total domestic production. I should like to have this letter inserted in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK CITY, February 5, 1930.

HON. DUNCAN U. FLETCHER,

United States Senate, Washington, D. C.

MY DEAR SENATOR: We address you on the subject of plate glass—paragraph 222 of the pending tariff bill.

So much misinformation is current, pertaining to this item that we venture to draw your attention to the facts:

1. The rates of duty on plate glass in the tariff act of 1922 are 12½ cents, 15 cents, and 17½ cents per square foot, according to the size of the glass. These rates were increased to 16 cents, 19 cents, and 22 cents per square foot, respectively, by the presidential proclamation dated January 17, 1929.

2. The presidential proclamation was based on a divided report of the Tariff Commission, dated August 22, 1928, in which only three members of the commission recommended the increases referred to, while the other three members of the commission recommended a reduction in the rates of duty below the level of the tariff act of 1922. In other words, there was no majority finding of the commission to support the presidential proclamation. Not only that, but the increases recommended and adopted by the President were based on average costs of production for the years 1923, 1924, and 1925 instead of for the year 1925 alone, which was the last year investigated by the commission. It was only by departing from the long-established practice of the commission of using the latest available cost data that the three commissioners who recommended the increases were able to justify their conclusions; and all six members of the commission agreed that, if the latest available cost data alone had been used, a reduction in the rates of duty below the level of the tariff act of 1922 would have been necessary. (See pp. 29 and 43 of the Tariff Commission's report to the President dated August 22, 1928.)

3. Since the period (1923–1925) covered by the Tariff Commission's investigation the plate-glass industry in this country has undergone radical changes in methods of manufacture. By the introduction of new manufacturing processes labor costs in plate-glass production have been reduced 33½ per cent, according to the United States Bureau of Labor Statistics. And approximately 50 per cent of the domestic output is now produced by these low-cost methods. Nevertheless neither the Tariff Commission's findings nor the presidential proclamation took into account any of the large savings in costs of production effected by the new methods of manufacture. The pending tariff bill, however, does take cognizance of such new methods of manufacture, because it provides in paragraph 222 for plate glass "by whatever process made," whereas the tariff act of 1922, the Tariff Commission's findings, and the presidential proclamation were all limited and confined to "cast" polished plate glass, i. e., plate glass made by the old casting method only. This circumstance of itself indicates plainly that the Tariff Commission's report and the presidential proclamation are no criterion for fixing rates of duties on plate glass which is now made by several newer and cheaper methods than were considered in such report and proclamation.

4. Domestic production of plate glass is centered in a limited number of companies. And the Pittsburgh Plate Glass Co. controls about 77 per cent of the total production, exclusive of that made by automobile interests for their own use. Other companies are the Libbey-Owens Sheet Glass Co., the Edward Ford Plate Glass Co., the Ford Motor Co., Standard Plate Glass Co., American Plate Glass Co., and National Plate Glass Co. The Pittsburgh Plate Glass Co. occupies the triple position of manufacturer, jobber, and retailer, competing with local jobbers to whom it sells, and thereby controlling the domestic market.

5. The Pittsburgh Plate Glass Co. for the last year (1928) reported earnings of \$8,476,367, an increase of more than \$2,000,000 over the preceding year (1927). And the Libbey-Owens Co. recently split its stock four for one and increased its dividend rate 100 per cent. On this record obviously neither of the companies could justify a demand for increased tariff rates, so the Standard Plate Glass Co., which, because of its use of antiquated methods and obsolete machinery, showed

an operating loss last year, was selected to present the demand to the Senate Finance Committee. The transparency of this strategy hardly calls for further comment.

6. The present rates on plate glass amount to a practical embargo. They represent an ad valorem equivalent of 200 to 250 per cent. The 1922 rate of 12½ cents on the first bracket, plus freight, was actually 'n excess of the selling price of the glass itself in the United States.

7. The present rates, which can be justified on neither equitable nor economic grounds, are calculated to disturb profitable trade relations with some of our best customers. Belgium, the principal European manufacturer of plate glass, is one of the largest purchasers of American agricultural products. In 1927 Belgium took in excess of \$25,000,000 of American wheat. The trade balance between the two countries in that year was some \$63,000,000 in favor of the United States, exclusive of the item of precious stones, whereas the imports of plate glass from Belgium amounted to but \$2,000,000, a small fraction of the total domestic production.

8. Plate glass is an essential commodity in the manufacture of furniture, store fixtures, automobiles, mirrors, and in the building industry. And the inevitable results of the proposed rates would be to increase the dominance of the Pittsburgh Plate Glass Co. in the domestic market and leave the army of American consumers completely at its mercy.

In the hope that you may find time to read it, we inclose a copy of the brief which we presented to the Committee on Finance. We trust that we may count upon your cooperation in effecting a reduction of the rates on this item.

Very truly yours,

ASSOCIATION OF IMPORTED PLATE GLASS CONSUMERS,
LOUIS ROTH, Secretary.

Mr. BINGHAM. Mr. President, at the conclusion of the vote on the last group of amendments the Chair announced that the ayes had it. I was on my feet asking for a division; but the Chair did not see me in time, and announced that the vote was decided in the affirmative, and that my request for a division was too late.

I feel that that was a very unusual procedure. It will be recognized that after a vote of that kind, a viva voce vote, a request for a division has almost invariably been granted—either a division or the yeas and nays.

In view of that fact I ask unanimous consent that the vote whereby the last group of amendments was agreed to may be reconsidered, in order that we may have another vote on it.

The PRESIDING OFFICER. Is there objection?

Mr. McMASTER. Mr. President, I have not any serious objection to the request that the Senator makes; but I have objection to its being made at this particular point, as I desire to have a vote upon the plate-glass matter before we go back to the other subject.

Mr. WALSH of Massachusetts. Mr. President, before the vote is taken I ask permission to have inserted in the RECORD a brief prepared by me, summarizing and analyzing the evidence before the Finance Committee upon the item of plate glass.

I understand that the Senate is anxious to have a vote taken so that it may proceed with other business at 4 o'clock, and I am not disposed to make any extended argument at this time. In brief, let me say that the conclusions I have reached are that the amendment offered by the Senator from South Dakota should be adopted, and that the rates proposed in the House bill and by the Senate committee are not justifiable upon any economic basis that I can discover.

The PRESIDING OFFICER. Without objection, the request of the Senator from Massachusetts will be granted.

The matter referred to is as follows:

PLATE-GLASS BRIEF BY SENATOR WALSH OF MASSACHUSETTS
Duty on plate glass
[Cents per square foot]

Paragraph 22	1922	President's proclamation	1929
Plate glass, by whatever process made:			
Not exceeding 284 square inches.....	12½	16	12½
Above that and not exceeding 720 square inches.....	15	19	19
Above that.....	17½	22	22

The House bill provides in addition to the above that none of the foregoing measuring three-eighths of 1 inch or over in thickness shall be subject to a less rate of duty than 50 per cent ad valorem.

The House bill and the Finance Committee have adopted all the recommendations of the President's proclamation except in the case of the rate on plate glass not exceeding 384 square inches. This has been reduced to 12½.

The Finance Committee added: "Provided none of the foregoing measuring three-eighths of 1 inch shall be subject to a less rate of

duty than 50 per cent." It struck out "one-half of 1 inch" and inserted "three-eighths of 1 inch."

FACTS

(1) Description and uses

(a) Cast polished plate glass is composed of practically the same ingredients as other transparent glass, such as ordinary window glass; but owing to the method of its production by casting has greater freedom from structural defects. There are many possible imperfections in cast plate glass, and they are therefore graded by inspection and selection, and these several distinct merchantable grades are recognized by plate-glass users. The grinding and polishing renders the two surfaces flat and parallel, so there is no distortion of vision when the glass is looked through from an angle.

(b) Over 50 per cent of the world's production of polished plate glass is used by the automobile industry. After this use it is employed for glazing windows in residences, office buildings, display windows in stores, and to produce mirrors for furniture.

(2) Production

There are two methods of manufacturing plate glass, the old method of casting or processing the molten glass from a large crucible upon a table where it is flattened and annealed, and the new so-called continuous process whereby the molten glass emerging from a tank is rolled into a large ribbon, which is annealed. Both processes are equally used at the present time.

There are 17 plants, 8 of which are located in the Middle West and all but one east of the Mississippi River. Five of these plants are owned by one company (Pittsburgh Plate Glass Co.), and they produce approximately 50 per cent of the domestic production.

Year	Square feet
1923.....	89,069,441
1925.....	117,224,294
1927.....	111,390,933
1928.....	130,649,435

(3) Imports

Production of plate glass in Europe is carried on chiefly in Germany, Belgium, and France.

In 1927, 68 per cent of the imports were from Belgium, 13.8 per cent from Germany, 10.6 per cent from France, and 3.7 per cent from Czechoslovakia.

The figures are as follows:

Year	Quantity	Value
	<i>Square feet</i>	
1923.....	25,918,562	\$15,824,655
1925.....	15,845,883	7,013,934
1927.....	15,060,337	4,207,533
1928.....	15,637,127	3,306,697

If the specific rates of duty for the different size brackets proposed in the House bill had been in effect in 1923, 1924, and 1925, the equivalent ad valorem rates for the different brackets upon the basis of import prices would have been as follows:

	1923	1924	1925
First bracket.....	22.96	23.05	30.12
Second bracket.....	29.31	32.80	44.24
Third bracket.....	35.98	35.75	47.73

The trend of the import prices having been downward, the ad valorem equivalents in all three brackets continuously rose during these three years. With a likely further fall in the import prices for the third bracket, the ad valorem equivalent rate for that bracket would go above 50 per cent.

The 1929 ad valorem equivalents are as follows:

1922 RATES

(Based on 1928 unit value of imports)

Specific	Per cent ad valorem equivalent
12½ cents per square foot.....	60
15 cents per square foot.....	70
17½ cents per square foot.....	83
HOUSE AND SENATE RATES	
12½ cents per square foot.....	60
19 cents per square foot.....	90
22 cents per square foot.....	104

Exports	Quantity	Value
	<i>Square feet</i>	
1923.....	1,981,767	\$843,792
1925.....	1,578,657	407,440
1927.....	1,081,339	347,164
1928.....	2,279,978	680,726

It should be noted here that the exports for 1928 were the greatest of any year since 1920.

REMARKS

The increases in the rates on plate glass and the changing of the paragraph phraseology, so as to include window glass ground and polished, is unwarranted for the following reasons:

First. The increased rates of duty in the presidential proclamation (two of which were adopted in the pending tariff bill) were based on the report of the United States Tariff Commission to the President dated August 22, 1928, in which three of the six members of the commission recommended a reduction of the rates of duty on plate glass to 10.91 cents, 13.10 cents, and 15.28 cents for the three respective brackets in this paragraph. This recommendation was based on the costs of production of plate glass in the United States and abroad for the year 1925, which were the latest costs ascertained by the commission.

Second. The three commissioners who favored higher duties admitted that if a comparison of costs based only upon the year 1925 were used, it would indicate a reduction in the duties on plate glass (p. 29 of the report of the U. S. Tariff Commission on cast polished plate glass).

Third. The commission in its investigation used the average costs of the three years—1923, 1924, and 1925. If prices are to be taken as at all indicative of costs of production, in view of the steady and continued downward trend in price, it seems clear that the latest available costs—i. e. the costs for 1925—would be more representative of present duty costs and of future costs than are those of the earlier years of 1923 and 1924 (opinion of Commissioners Dennis, Dixon, and Clark).

Fourth. In 1923 the Belgium exchange was continually fluctuating and was very abnormal. The exchange rates during 1924 and 1925 were fairly stable. The costs in francs of producing plate glass in Belgium in 1925 would, therefore, be more representative of normal conditions.

Fifth. Both the plate-glass industries in United States and Belgium were at that time experimenting a new process of production. In 1925 it was much less of an experiment than either 1923 or 1924. Since 1925 the new processes (continuous Biceroux and Libbey-Owens) have made great progress until to-day it accounts for at least half of the domestic production. All new plants are being equipped with the new processes.

Sixth. The provision for plate glass in the tariff act of 1922 was limited to cast polished plate glass, because in 1922 plate glass was made by the old casting method only. The new tariff provides for "by whatever process made."

The costs of production of plate glass ascertained by the United States Tariff Commission did not take into account any of the new methods referred to above, and the proclamation of the President was limited to cast polished plate glass. This fact is ignored by the Hawley bill. No consideration has been given to the enormous savings occasioned by the use of the new processes.

The language of the present bill is in keeping with present conditions, but its rates are based on obsolete costs.

Seventh. This tariff investigation abandoned the need of choosing the most important domestic market as the basis of comparison. They chose 14 cities on the Atlantic and Pacific coasts and a few inland ports. Detroit, the most important plate-glass market in the United States, should have been selected as the market for equalizing domestic and foreign costs of production. For that matter, Cleveland, the mathematical center of plate-glass consumption in the United States, should have been selected.

Eighth. That the domestic manufacturers don't need to have their cost of production inflated by transportation from all distant points is shown by the fact that they have been able to compete with Belgium plate glass in Canada, in spite of the fact the tariff on plate glass from the United States is higher than that levied on Belgium glass.

The Canadian rates of duty on plate glass are as follows:

[Source: Tariff Commission report on cast polished plate glass, p. 41]

Tariff item	Commodity	British preferential tariff rate	Intermediate tariff rate ¹	General tariff rate ²
319	Glass, in sheet, and bent plate glass.....	Per cent 17½	Per cent 22½	Per cent 25
320	Plate glass, not beveled, in sheets or panes not exceeding 7 square feet each.....	7½	10	10
321	Plate glass above 7 and not exceeding 25 square feet.....	15	25	27½
322	Plate glass.....	22½	30	5

¹ Intermediate tariff applies to Belgium, France, Holland, Czechoslovakia.

² Applies to imports from the United States.

Their Canadian selling prices are 30 per cent and 20 per cent less than their United States prices.

Ninth. The domestic producers were able to sell in competition with the Belgium glass more than 50 per cent of their total production in the ports through which all of the Belgium glass was entered. The following table illustrates this:

Production of domestic and Belgian glass
(Page 39 of Tariff Commission report)

	Domestic glass in square feet	Belgium glass in square feet	Per cent of total
Detroit.....	25,173,225	1,485,551	15.37
Chicago.....	5,349,868	663,704	6.87
New York.....	5,158,437	3,789,133	39.22
St. Louis.....	3,096,383		
Cleveland.....	2,865,594	228,714	2.88
South Bend.....	2,374,434		
Philadelphia.....	2,185,261	404,904	4.19
Toledo.....	2,118,671	64,731	.67
Boston.....	1,837,495	89,017	.92
Cincinnati.....	1,533,383	9,872	.10
Buffalo.....	1,431,092	65,063	.68
Los Angeles.....	1,425,762	794,043	8.22
High Point.....	1,421,868		
Grand Rapids.....	1,388,716	341,540	3.53
Pittsburgh.....	1,349,195		
Pontiac.....	1,057,936		

Tenth. Importations were only 11 per cent of total domestic production in 1928.

Eleventh. Importations have dropped from 25,918,562 square feet in 1923 to 15,637,127 square feet in 1928.

Twelfth. The imported plate glass is vitally necessary to American consumers, e. g., the building industry, furniture manufacturers, mirror manufacturers, store-fixture manufacturers, safety-glass manufacturers, and others since they can not get the requisite quality and quantity of domestic plate glass to meet their needs.

Furniture manufacturers have written me asking my help against even the present duty.

Thirteenth. Imported glass has never undersold the domestic production in this market because it is purchased on the basis of quality.

Fourteenth. Thirty-five per cent of domestic production is produced by automobile interests. Thus only 65 per cent of the home production is available for general use in United States. Of this, fifty-sixths, or 77 per cent, is produced by the chief manufacturer in the industry, namely, Pittsburgh Plate Glass Co. New rates will serve to give it monopoly control over the general domestic supply.

Fifteenth. Belgium will be the chief sufferer by the proposed tariff law. That country constitutes a good market for our goods, as follows:

Partial list of exports from United States to Belgium (1927)

Wheat.....	\$25,720,000
Raw cotton.....	16,885,000
Barley.....	2,142,000
Oil cake.....	3,710,000
Gasoline-kerosene.....	5,278,000
Automobiles.....	4,173,000
Machinery.....	3,764,000

Total value of our imports of plate glass from Belgium for the year 1928 was \$2,965,480. Belgium imports are 68 per cent of the total of \$3,306,637 imports for 1928 (p. 536 of Tariff Summary).

Mr. HARRISON. I call for the yeas and nays on the amendment.

Mr. BINGHAM. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	Kendrick	Simmons
Barkley	Frazier	Keyes	Smith
Bingham	Gillett	La Follette	Smoot
Black	Glass	McClulloch	Steiner
Blaine	Glenn	McKellar	Stephens
Blaine	Goff	McMaster	Sullivan
Borah	Goldsbrough	McNary	Swanson
Bratton	Gould	Metcalf	Thomas, Idaho
Brock	Greene	Norbeck	Thomas, Okla.
Brookhart	Grundy	Norris	Townsend
Broussard	Hale	Nye	Trammell
Capper	Harris	Oddie	Tydings
Caraway	Harrison	Overman	Vandenberg
Connally	Hastings	Patterson	Wagner
Copeland	Hatfield	Phipps	Walcott
Couzens	Hawes	Pine	Walsh, Mass.
Cutting	Hayden	Ransdell	Walsh, Mont.
Dale	Hebert	Robinson, Ind.	Waterman
Deneen	Johnson	Schall	Watson
Dill	Jones	Sheppard	Wheeler
Fess	Kean	Shortridge	

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment proposed by the Senator from South Dakota [Mr. McMASTER] as modified.

Mr. WALSH of Massachusetts. Mr. President, before the vote is taken, I ask permission to have inserted in the RECORD letters and telegrams from mirror and furniture manufacturers in my State asking that a lower duty be imposed than that asked for by the Senator from South Dakota.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

Hon. DAVID I. WALSH,
Washington, D. C.

DEAR SENATOR: I am writing to you relative to the tariff on polished plate glass which is dealt with in Schedule 2, paragraph 222, of the proposed bill.

I am purposely going into detail so that you will have a realistic picture of the industry.

The rates of duty on plate glass in the tariff act of 1922 were 12½ cents, 15 cents, and 17½ cents per square foot, respectively, according to the size of the glass. After these rates went into effect two furniture dealers, one of them the Buckley-Newhall Co., of New York, filed an application with the Tariff Commission in November, 1922, for an investigation of cost of production here and abroad, with the ultimate purpose of securing a reduction in duties on polished plate glass. As a result of this application the Tariff Commission conducted investigations here and abroad, and hearings were held in December, 1925, and May, 1927. Report was submitted by the Tariff Commission to the President of the United States on its investigation on August 22, 1928, and on January 16, 1929, President Coolidge issued a proclamation increasing the above duties to 16 cents, 19 cents, and 22 cents per square foot.

This proclamation was based on a divided report of the Tariff Commission. Three members of this commission recommended the increased rates referred to hereabove, while the three other members recommended a reduction of the rates below the level of the tariff act of 1922. There was thus no majority finding of the commission. Furthermore, the three members who recommended the increased rates based themselves upon average costs of production for the years 1923, 1924, and 1925, thus taking into consideration conditions which existed six years ago and which are totally different from the conditions prevailing in the industry to-day. If these commissioners, as was customary with the Tariff Commission, had taken as a basis the last year investigated, namely, the year 1925, they would have been forced to suggest a reduction in duties according to their own figures which they presented in their report to the President. It was only by departing from the past practice of the commission of using the most recent data that these commissioners were able to recommend an increase in the rates on polished plate glass. The three other commissioners who recommended a decrease in duties did so on the basis of cost data for the year 1925, because, as they stated in their report to the President, "the latest available data are the safest basis and the cost data for 1925 are probably nearer the present cost of production of plate glass than is the 3-year average for 1923, 1924, and 1925. It is even probable that the 1925 cost is much higher than the present cost." As indicated on pages 29 and 43 of the report of the Tariff Commission to the President of the United States, the six commissioners were unanimous in expressing the opinion that a comparison of cost based on the year 1925 alone would indicate every justification for a reduction of the duties as provided in the tariff act of 1922.

Yet, in their investigation the Tariff Commission did not consider the costs of producing polished plate glass by the new methods of manufacturing which were introduced and developed in this country since about 1925, to such an extent that to-day the capacity of plants using such new methods of manufacturing exceeds 50 per cent of the total capacity of the American plate glass factories.

These new methods are known to have a considerably lower cost of production. Government figures have been published in connection with the savings of some of these methods. Particular reference is made here to Labor Bulletin 441. Page 193 of this bulletin states that the labor cost of one of these new methods is 33¼ per cent cheaper than by the old method. It also states that the man-hour output by this new method is about 52 per cent higher than by the old method. Trade papers and even the domestic manufacturers themselves in their reports to stockholders have often admitted that savings in cost were realized through the use of the new methods of manufacturing.

The Tariff Commission perhaps found justification for not including the cost of the new methods in their comparisons in the fact that the tariff act of 1922 provided that the duties mentioned therein should apply to "cast" polished plate glass. In 1922 polished plate glass was manufactured only by one method, namely, the casting method, and this explains the wording of paragraph 222 of the tariff act of 1922. In 1923, however, the Ford Motor Co. invented and installed a new method for manufacturing and this led to a complete revolution of the industry. The American manufacturers at the hearings in 1925 and 1927 admitted that glass manufactured by the new methods had the same physical properties as cast polished plate glass, was sold as such at the same prices and for the same purposes, but took the position that it could not be considered as cast polished plate glass because it was not manufactured by the old casting method. Whatever it may be, the cost of manufacturing polished plate glass by the new method was not incorporated in the cost data on which the six commissioners based their findings. In spite of this these commissioners all agreed that the cost figures for the year 1925 indicated the necessity for a reduction in duties. It is therefore obvious that if the cost figures for the new

methods of manufacturing had been considered such a reduction in duties would have been even more justified than on the basis of the old method. It should be noted that the new tariff law provides that the new duties will be applied to all polished plate glass "by whatever process made." In other words, all polished plate glass will now be subject to rates which were based on the costs of the old method only.

It is difficult under such circumstances to see why the duties of 1922 should not be reduced. It should be noted furthermore that the duties of 1922 based on the importations for the year 1923, the first year of the enactment of the tariff act of 1922, were equivalent to 27.20 per cent ad valorem. To give you an illustration of what the proposed duties mean I would like to point out that according to the United States census figures the average selling price for the year 1927 of all the American plate glass factories amounted approximately to 37 cents per square foot. This average undoubtedly was further reduced since a reduction in prices by the Pittsburgh Plate Glass Co., which is the principal domestic manufacturer, of 10 to 15 per cent was placed in effect the end of October, 1927. It is fair to assume, therefore, that the present average selling price must be about 33 cents. To equal such an average the Belgian factories would be compelled to sell at this figure less the average duty of 19 cents per square foot. In other words, if the foreign factories were to sell to a customer on the Atlantic coast they would have to reduce their average selling price to about 14 cents. In this instance the new duty would be equivalent to ad valorem rates of about 90 per cent on the very first bracket, about 140 per cent on the second bracket, and about 150 per cent on the third bracket. If the foreign factories were to sell at a price to meet the American average selling price laid down in Detroit they would have to sell at an average selling price of about 11 cents and the duties of 12½ cents, 19 cents, and 22 cents, would of course constitute a practical embargo since the Tariff Commission found out in its investigation that the cost of manufacturing in Belgium amounted to 26½ cents f. o. b. plant in 1925.

The above shows conclusively that it is no longer a question of protection that is being looked for by the American industry but a total embargo. The principal beneficiary would, of course, be the Pittsburgh Plate Glass Co., which controls, according to the preliminary report of the Tariff Commission, 77 per cent of the total production of polished plate glass in this country, exclusive of what is being manufactured by automobile interests for their own use. The Pittsburgh Plate Glass Co., through its large system of retailing warehouses, occupies the triple position of manufacturer, jobber, and retailer, competing with local jobbers, to whom it sells, and thereby controlling not only the manufacturing end of the business but also the retail trade. It is difficult to conceive why such advantages should be granted to powerful interests to the detriment of the small dealer, particularly in view of the tremendous profits made by domestic factories since the enactment of the tariff act of 1922.

In 1928 the Pittsburgh Plate Glass Co. reported profits of \$8,500,000, an increase of about \$2,000,000 over the previous year. The Libbey-Owens Co. recently split its stock four for one and increased its dividend rate 100 per cent. One thousand dollars invested in the Libbey-Owens Co. on October 1, 1920, would have amounted to \$6,700 on September 30, 1928. Likewise \$1,000 invested in the Pittsburgh Plate Glass Co. on January 1, 1920, would have amounted to \$5,700 on December 31, 1928.

The tremendous increase in the American production also offers sufficient proof of the ability of the American factories to successfully expand under the protection of the tariff act of 1922. For instance, in 1921 the production amounted to 53,000,000 feet; in 1922, 76,000,000 feet. This year the indications are that the production will reach at least 180,000,000 square feet. In fact the Plate Glass Manufacturers of America announced that their production for the month of August, 1929, amounted to 14,716,467 feet, and this, we believe, does not include the production of the Libbey-Owens Co., which has a capacity of about 15,000,000 square feet yearly. I may add here that this production is being increased and that, according to trade papers and glass reviews, the production of Libbey-Owens will attain about 30,000,000 feet of polished plate glass by 1930. The proposed duties are so much more unreasonable if one considers that the imported product is of a better quality and that we find it totally impossible to secure in this country in sufficient quantities the quality of glass we need for our manufacturing. Other mirror people as well as the furniture industry are in the same predicament. They need to import glass because American factories are unable to take care of their requirements. Yet the duties are calculated to place an embargo on such a commodity that we need to import. Therefore, unless a relief is brought about, we will be forced to use lower grades of glass, for we can not expect the foreign factories to sell us under the handicap of such high duties. We will be left at the mercy of the American plate-glass manufacturers, who will be free to impose not only their own standards of quality but also their methods and selling policies. If they were to receive the benefit of the proposed duties it simply would mean that people of our caliber would lose whatever independence of action they may still have.

We, therefore, hope that you may see your way clear to lend your support in behalf of a reduction of duties on polished plate glass, and we thank you in anticipation for it.

Very truly yours,

BOSTON MIRROR CO.,
E. W. BRODY, President.

BOSTON, MASS., February 5, 1930.

Hon. DAVID I. WALSH,
United States Senate:

We wish to respectfully remind you of the reasons which, under date of September 21, 1929, forced us to apply to you for your consideration of the tariff rates on polished plate glass, Schedule 2, paragraph 222. A reduction in these duties appear to be an imperial necessity in so far as we are concerned, since we absolutely need imported glass at least for some of our requirements. We feel confident that you will be desirous of giving your attention to this subject. We thank you in anticipation.

NEW ENGLAND MIRROR & PLATE GLASS CO.

BOSTON, MASS., February 5, 1930.

Senator DAVID I. WALSH,
427 Senate Office Building:

We understand that the debate regarding the duty rates on polished plate glass, scheduled in paragraph 222, will soon come up for discussion in the Senate. In this respect we take the liberty of referring you to our letter of October 25, 1929, by which we solicited your support on behalf of lower duties on that commodity. We thank you in anticipation for all the help that you will kindly give us.

E. J. BRODY,
President Boston Mirror Co.

BOSTON, MASS., February 5, 1930.

DAVID I. WALSH,
United States Senate:

We understand rates polished plate glass, Schedule 2, paragraph 222, inspected, to be soon definitely discussed in United States Senate. We wish to respectfully refer you to our letter September 21, 1929, whereby we took liberty submitting you our views regarding this item and expressed hope you might see fit to lend your support and efforts toward a reduction on the rates of this commodity. We beg to reiterate our thanks for your consideration to our request.

KARAS & KARAS GLASS CO.

Mr. HARRISON. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. GOULD (when his name was called). I have a pair on tariff matters with the junior Senator from Utah [Mr. KING]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. LA FOLLETTE (when Mr. HOWELL's name was called). I desire to announce that the junior Senator from Nebraska [Mr. HOWELL] is unavoidably absent. He is paired with the senior Senator from Missouri [Mr. HAWES]. If the junior Senator from Nebraska were present, he would vote "yea."

Mr. McNARY (when his name was called). On this amendment I have a pair with the senior Senator from Arizona [Mr. ASHURST] and therefore withhold my vote.

The roll call was concluded.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Pennsylvania [Mr. REED] with the Senator from Arkansas [Mr. ROBINSON];

The Senator from Kentucky [Mr. ROBSION] with the Senator from Alabama [Mr. HEFLIN]; and

The Senator from New Hampshire [Mr. MOSES] with the Senator from Nevada [Mr. PITTMAN].

Mr. PHIPPS. Repeating the announcement of my pair, I withhold my vote. If privileged to vote, I would vote "nay."

Mr. BLEASE. I transfer my pair with the junior Senator from New Jersey [Mr. BAIRD] to the senior Senator from Iowa [Mr. STECK] and vote "yea."

Mr. HAWES. I have a pair with the junior Senator from Nebraska [Mr. HOWELL]. If he were here, he would vote "yea." If permitted to vote, I would vote "nay."

The result was announced—yeas 43, nays 36, as follows:

YEAS—43

Allen	Connally	Kendrick	Smith
Barkley	Couzens	La Follette	Stephens
Black	Cutting	McKellar	Swanson
Blaine	Dill	McMaster	Trammell
Bleuse	Fletcher	Norbeck	Tydings
Borah	Frazier	Norris	Vandenberg
Bratton	Glass	Nye	Wagner
Brock	Goldsborough	Overman	Walsh, Mass.
Brookhart	Harris	Schall	Walsh, Mont.
Capper	Harrison	Sheppard	Wheeler
Caraway	Hayden	Simmons	

NAYS—36

Bingham	Greene	Keyes	Smoot
Broussard	Grundy	McCulloch	Steiwer
Copeland	Hale	Metcalf	Sullivan
Dale	Hastings	Oddie	Thomas, Idaho
Deneen	Hatfield	Patterson	Thomas, Okla.
Fess	Hebert	Pine	Townsend
Gillett	Johnson	Ransdell	Walcott
Glenn	Jones	Robinson, Ind.	Waterman
Goff	Kean	Shortridge	Watson

NOT VOTING—17

Ashurst	Hefflin	Phipps	Shipstead
Baird	Howell	Pittman	Steck
George	King	Reed	
Gould	McNary	Robinson, Ark.	
Hawes	Moses	Robison, Ky.	

So Mr. McMASTER's amendment as modified was agreed to.

Mr. BINGHAM. Mr. President, I desire to ask unanimous consent that the vote on the group of amendments acted on previous to the pending amendment may be reconsidered. I make this request because at the time the Chair announced the decision of the viva voce vote on that group of amendments I was endeavoring to get the attention of the Chair and ask for a division, but did not succeed until too late. I am sure that in fairness, that in deference to the general custom of regarding requests for divisions, which are usually made after a viva voce vote has been tentatively decided by the Chair, there will be no objection to a request for reconsideration of that vote.

Mr. BARKLEY. Mr. President, at the time this matter came up request was made for unanimous consent to vote on all those amendments en bloc. The Chair put the question, and nobody objected, and after the Chair, as I recall, announced that there was no objection the Senator from Connecticut obtained the floor and proceeded then, in that belated way, to object to a vote en bloc on all these amendments, which affected the same thing.

Later the Senator made a statement, in which he said, as I understood, at least I formed the impression, that he was seeking a test vote on the first amendment; that whatever the result was on that amendment might be regarded as the opinion of the Senate on the whole group.

I distinctly recall the circumstances surrounding the Chair's decision, and in view of that fact I shall feel impelled to object.

The VICE PRESIDENT. The Chair will state to the Senator from Connecticut that the result he seeks would be reached by a separate vote in the Senate, if the Senator desires to give notice that he will ask for a separate vote. The Senator can move to reconsider.

Mr. BINGHAM. Mr. President, the Senator from Kentucky misunderstood me, and I think that a majority of those who heard the remarks I made realized that what I was doing was asking for a vote on the first amendment in order to avoid the necessity of making a speech. I stated that if we lost on the vote on the first amendment, I should then make a few remarks in an endeavor to change the votes on the remaining amendments; but evidently the Senator from Kentucky misunderstood me. I hope that this explanation will stand, because I am sure that those sitting near me did not understand me to make the kind of a request indicated by the Senator from Kentucky. Had I made the request as the Senator from Kentucky understood me to make it, there would have been no point, of course, in my asking for a division.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Farrell, its enrolling clerk, announced that the House had passed the following joint resolutions, in which it requested the concurrence of the Senate:

H. J. Res. 245. Joint resolution making an additional appropriation for personal services in the office of the Treasurer of the United States for the fiscal year ending June 30, 1930; and

H. J. Res. 247. Joint resolution making an appropriation to carry out the provisions of the public resolution entitled "Joint resolution providing for a study and review of the policies of the United States in Haiti," approved February 6, 1930.

HOUSE JOINT RESOLUTIONS REFERRED

The following joint resolutions were each read twice by their titles and referred to the Committee on Appropriations:

H. J. Res. 245. Joint resolution making an additional appropriation for personal services in the office of the Treasurer of the United States for the fiscal year ending June 30, 1930; and

H. J. Res. 247. Joint resolution making an appropriation to carry out the provisions of the public resolution entitled "Joint resolution providing for a study and review of the policies of the United States in Haiti," approved February 6, 1930.

INVESTIGATION OF CONDITIONS IN HAITI

Mr. JONES. Mr. President, these are two emergency measures. One is to provide the money to enable the President to investigate conditions in Haiti. The other is to furnish money to pay for personal services in the Treasurer's office. The money appropriated for the purpose involved will have to be turned back into the Treasury on the 15th of this month unless continued by act of Congress. Therefore, from the Committee on Appropriations, I report back both joint resolutions without amendment and ask for their immediate consideration.

The VICE PRESIDENT. Is there objection to the request of the Senator from Washington?

Mr. LA FOLLETTE. Mr. President, reserving the right to object, if the consideration of the joint resolutions does not provoke any debate I shall not object.

Mr. JONES. I do not think it will.

The joint resolution (H. J. Res. 247) making an appropriation to carry out the provisions of the public resolution entitled "Joint resolution providing for a study and review of the policies of the United States in Haiti," approved February 6, 1930, was read as follows:

Resolved, etc., That the sum of \$50,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1931, for the expenses which may be incurred by the President in making an investigation by such means as he may determine of the conditions in, and a study of, the policies of the United States relating to Haiti, including compensation of employees, travel and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), stenographic or other services by contract, if deemed necessary, without regard to provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), rent of offices and rooms in the District of Columbia and elsewhere, purchase of necessary books and documents, printing and binding, official cards, rental, operation, and maintenance of motor-propelled passenger-carrying vehicles, and such other expenses as the President may deem proper including obligations incurred subsequently to February 7, 1930.

The VICE PRESIDENT. Is there objection to the consideration of the joint resolution?

Mr. BLAINE. Mr. President, in my opinion consideration of the joint resolution will require some time and I do not believe we should undertake to discuss it to-day. I object.

The VICE PRESIDENT. The joint resolution will be placed on the calendar.

PERSONAL SERVICES IN TREASURER'S OFFICE

Mr. JONES. I now ask unanimous consent for consideration of House Joint Resolution 245.

The VICE PRESIDENT. Is there objection?

There being no objection the Senate as in Committee of the Whole proceeded to consider the joint resolution (H. J. Res. 245) making an additional appropriation for personal services in the office of the Treasurer of the United States for the fiscal year ending June 30, 1930, which was read as follows:

Resolved, etc., That the sum of \$179,175 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1930, for personal services in the office of the Treasurer of the United States in redeeming Federal reserve and national bank currency, such amount to be reimbursed by the Federal reserve and national banks.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

THE LONDON NAVAL CONFERENCE

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have inserted in the Record a very interesting editorial appearing in this morning's Baltimore Sun, written by one of the able editors of that paper, Mr. John W. Owens, entitled "A Fantastic Travesty."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Baltimore Sun, February 11, 1930]

A FANTASTIC TRAVESTY

In three weeks of this naval conference, with all its jockeyings, 1-day sensations, and minor crises, the most extraordinary and foolish performance is the American claim to the right to build one battleship. It is a surrender of the most childish nature to our fetish of parity, and an ignoble bow to our chauvinists. And it is entirely lacking in common sense.

Secretary Stimson's proposal provides that the battleship fleets be reduced immediately to 15 each for Great Britain and the United States, and 9 for Japan—this level being reached by Great Britain scrapping 5, the United States 3, and Japan 1. Postponement of the

replacement of battleships is also contemplated. But among those retained Great Britain has two, the *Rodney* and the *Nelson*, which are newer than any of ours. Therefore, it is argued, we must make an exception to postponement of replacements so that we may build one battleship to offset the *Rodney* and the *Nelson*.

This sounds like a simple affair when so stated. But the British newspapers, notably the London Times, argues that when the present battleship fleets are scrapped to 15, 15, and 9, for Great Britain, the United States, and Japan, respectively, the American fleet will actually be superior to Great Britain's in tonnage and gun caliber. However, that may be passed over, for our experts doubtless could produce data to confute the British and start a merry battle of statistics, and it is essential to see this thing entirely apart from hair-splitting statistics. Certain facts are infinitely more important.

In the first place, it is impossible to get any such exactitude in parity as is sought in this plan to build a new battleship. If we build one now, then in a few years the British and Japanese have exactly the same claim that they are outclassed. After they are satisfied we shall have another turn at claiming. In the second place, nobody outside of a lunatic asylum believes there is going to be an Anglo-American war in the next few years. Therefore, since the whole future of battleships is in doubt, it is a monstrously extravagant folly to rush in with a claim to the right to build a new one when, without danger, we can await developments in "the art."

This latter consideration must thrust itself upon all who follow the naval question. In professional naval circles there is a growing party which gravely questions the value of great battleships. This is true of our Navy. It is true of other navies. Learned debate between admirals on this subject raged only recently in the London Times. As far as laymen are concerned one of the most striking facts about this conference is the complacency with which all schemes for scrapping battleships or postponing replacement of them are received.

Everywhere there is memory of the fear of the British and German to expose their treasured battleships during the World War. Everywhere there is memory of Admiral Sims's remark that in another war "we would keep our battleships up the Mississippi as far as they can go." Everywhere there is the feeling that battleships are done for. Yet, in the fantastic pursuit of an illusory technical parity, we are now talking about building one of these useless monsters at a cost of forty to fifty million dollars, and maintaining it at an annual cost of three or four million dollars!

The travesty of this business on Anglo-American professions of friendship need not be mentioned at present. It is enough to direct attention to the bitter travesty on common sense and President Hoover's economy program.

JOHN W. OWENS.

LONDON, February 10.

FEDERAL JUDGESHIP IN HAWAII

Mr. BINGHAM. Mr. President, in the CONGRESSIONAL RECORD of yesterday, at page 3338, there appears an editorial from the Honolulu Advertiser, inserted in the Record at the request of the Senator from Maryland [Mr. TYDINGS], entitled "Keep Politics Out of the Judiciary." I have to-day received a letter from Hon. V. S. K. Houston, Delegate in Congress from Hawaii, appertaining to this matter, which I ask may be printed in the Record as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered. The letter is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 11, 1930.

HON. HIRAM BINGHAM,
United States Senator, Senate Office Building,
Washington, D. C.

MY DEAR SENATOR BINGHAM: The term of the fourth circuit judge in the Territory of Hawaii will expire very shortly. The incumbent, Judge Homer L. Ross, will have served about eight years. I am advised by lawyers of the highest integrity that there is nothing in his record which reflects upon his ability, and that there is no sufficient reason yet advanced as to why he should not be reappointed.

It is a fact that the Bar Association of Hawaii voted 35 to 28 to appoint another man, Mr. Delbert E. Metzger, basing their action mainly upon a certain number of reversals. An attempt to make the indorsement of Mr. Metzger unanimous was defeated.

On the other hand, with the exception of Mr. Metzger, the bar of Hawaii County, in which the fourth circuit is situated, is unanimous for the retention of Judge Ross. Judge A. G. M. Robertson, who served as chief justice of the Supreme Court of the Territory of Hawaii, in answer to a query by myself, states:

"Metzger not better grounded than Ross. Know of no reason why Ross should not be reappointed."

"ROBERTSON."

When Judge Ross took office in 1922 there were over 500 cases pending. Since then over 2,500 cases have been filed in the fourth circuit, exclusive of the juvenile division. Of these cases there are a few pend-

ing, but at least 2,500 have been disposed of by Judge Ross. Out of this large number of cases tried only 38 cases have been appealed, of which 21 were reversed and 17 affirmed. With such a large number of cases it would seem that this small number of appeals to the supreme court would clearly indicate that his decisions have been universally sound and fair, for otherwise more appeals would have been taken. It should be remembered that this number of appeals is spread over a period of eight years.

I have been urged to recommend Judge Ross's reappointment by many of the citizens of the county in which Judge Ross sits, by the unanimous recommendations of the Republican central committee, and by the Republican national committeeman and committee woman for the Territory of Hawaii, to which I add my own.

For your information I quote herewith the personal history of Judge Ross, and below it the personal history of Mr. Metzger, as taken from *The Men of Hawaii*, 1921.

Ross, Homer L., judge, Hilo, Hawaii; born at East Liverpool, Ohio, October 4, 1867; son of Lachlin and Mary (McPherson) Ross; attended University of Wooster, Wooster, Ohio, 1884-1887; graduated from Iowa State University, degree LL. B. 1897; married Lotta M. Richards at Indianola, Iowa, December 24, 1900; children, Margaret M. and Homer R. Practiced law at Indianola, 1897-1902; removed to Hilo, Hawaii, establishing law practice there, 1902; appointed by President Harding judge of circuit court, fourth judicial circuit, Territory of Hawaii, qualified and took up duties of office August 25, 1921. Was appointed by Governor McCarthy member board of child welfare, 1919, and at present serving as ex-officio member; served as member legal advisory draft board for eighth district of Hawaii and as chairman Hawaii Chapter, American Red Cross, period of war; vice president Hilo Board of Trade, 1920-21. Member First Foreign Church at Hilo, and is a thirty-second degree Mason.

Metzger, Delbert E., civil and mining engineer and lawyer; born in Jefferson County, Kans., March 4, 1875; son of Eli W. and Marguerette Miner (Jones) Metzger; married Alice Marion Weight June 29, 1911, at Hilo, Hawaii; four children, Jefferson Eli, Doris Marguerette, Helen Victory, and Franklin Miner. Educated public and private schools, one year Washburn College, and unfinished senior year Indiana Law School. Began in 1895 in Kansas real estate and grain dealer, later printing and newspaper, theatrical, bookkeeping, engineering, contracting, mining, railroad operating, engineering, and law practice; United States volunteer engineer, Spanish-American War; resided in several States, principally in Hawaii since 1899; two years well-drilling contracting, Hawaii; four years superintendent Hilo Railroad Co.; four years building Hilo Harbor breakwater under contracts with United States. Public service: Justice of peace; city attorney, Meriden, Kans.; president Board of Trade of Hilo; senator, Hawaii Legislature, 1913-1915; district magistrate, Hilo; treasurer and insurance commissioner, Territory of Hawaii; also member several public commissions. Member several technical societies, Chiefs of Hawaii, thirty-second degree Mason, and Shriner. Past exalted ruler, Hilo, Benevolent Protective Order Elks.

To further represent Mr. Metzger's history, I quote you a dispatch received by me from him which brings his personal history a little further to date:

"At suggestion Thurston sending this information. In fourth circuit since 1923; 62 equity cases filed by 16 attorneys. Twelve were mine. Five hundred and ten civil law cases by 22 lawyers. Ninety were mine. These include almost every subject in law and equity, not probate, divorce, or criminal. Vast number of contests in other courts. Of last 26 appeals from fourth circuit I appeared as counsel in 10.

"METZGER."

I am recommending the reappointment of Judge Ross both to the President and the Attorney General, and would ask your support in this matter.

In order to show that there is no hesitation in making this recommendation because of political complexion, I would invite attention to the fact that I recently asked for the reappointment of the associate justice of the Supreme Court of the Territory of Hawaii, Judge James J. Banks, a Democrat.

Very sincerely yours,

V. S. K. HOUSTON,
Delegate in Congress from Hawaii.

EXECUTIVE SESSION

Mr. WATSON. Mr. President, I move that the Senate proceed to the consideration of executive business in open executive session.

Mr. BLAINE. Mr. President, may I inquire if it is the Senator's purpose to take up the Hughes nomination?

Mr. WATSON. It is.

Mr. BLAINE. May I suggest to the Senator from Indiana that that may take a great deal of time. I was wondering if he wanted to press the matter this evening?

Mr. WATSON. I think so, because on yesterday we set aside this hour for the purpose of bringing up the nomination to-day.

It was understood that we would bring it up to-day at 4 o'clock. In accordance with that understanding I am making the motion. Mr. BLAINE. Mr. President, a parliamentary inquiry. The VICE PRESIDENT. The Senator will state it. Mr. BLAINE. Was there any unanimous-consent agreement entered into to the effect that we would take up the nomination to-day at 4 o'clock?

Mr. WATSON. Oh, no.

The VICE PRESIDENT. There was not. The motion is in order at any time and it is not debatable. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to, and the Senate proceeded to the consideration of executive business in open executive session.

The VICE PRESIDENT. Are there any reports of committees? There being none, the calendar is in order.

TREATY PASSED OVER

The legislative clerk announced the first business on the Executive Calendar as Executive A, treaty of commerce and navigation with the Turkish Republic.

Mr. BORAH. That will have to go over.

The VICE PRESIDENT. It will be passed over.

BOUNDARY CONVENTION WITH GREAT BRITAIN

The legislative clerk announced as the next order of business Executive D, convention with Great Britain fixing the boundary between the Philippine Archipelago and North Borneo.

Mr. BORAH. Mr. President, that is almost a formal matter establishing a boundary line. There is no controversy involved. I presume there is no objection to the treaty. I ask for its present consideration.

The Senate proceeded to consider the following treaty, which was read and considered as in Committee of the Whole:

To the Senate:

To the end that the advice and consent of the Senate to ratification may be given, I transmit herewith a convention signed at Washington on January 2, 1930, by the respective plenipotentiaries of the United States of America and His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India, delimiting definitely the boundary between the Philippine Archipelago (the territory acquired by the United States of America by virtue of the treaties of December 10, 1898, and November 7, 1900, with Spain) and the State of North Borneo, which is under British protection.

The attention of the Senate is invited to the accompanying report of the Acting Secretary of State concerning the convention and the charts attached thereto and made a part thereof, and concerning the notes exchanged between the Secretary of State and the British ambassador at the time of the signature of the convention.

HERBERT HOOVER.

THE WHITE HOUSE, January 22, 1930.

THE PRESIDENT:

The undersigned, the Acting Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate, if his judgment approve thereof, to receive the advice and consent of that body to ratification, a convention signed at Washington on January 2, 1930, between the United States of America and His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India, delimiting definitely the boundary between the Philippine Archipelago (the territory acquired by the United States of America by virtue of the treaties of December 10, 1898, and November 7, 1900, with Spain) and the State of North Borneo, which is under British protection.

Annexed to the convention and made a part thereof is a copy each of Charts Nos. 4707 and 4720, published by the United States Coast and Geodetic Survey, corrected to July 24, 1929, on which the boundary line described in the convention has been indicated. Photostat copies of these charts accompany the inclosed printer's copy of the convention.

It is understood that the United States Coast and Geodetic Survey has plates and original drawings from which it can reproduce such copies of the charts as may be required for printed copies of the convention. It should be pointed out, however, that the charts attached to the convention differ slightly from the charts as published by the Coast and Geodetic Survey in that it was found necessary to erase from the copies of the latter on which the boundary line is marked and which are attached to the convention a few unimportant names and some of the numbers which indicate soundings in order to make room for the hand-lettering shown along the boundary line defined by the convention. Such copies of these charts, if any, as may be reproduced by the Coast and Geodetic Survey to accom-

pany the printed copies of the convention should therefore be altered to conform in their markings with those attached to the convention itself.

The undersigned further submits for the information of the Senate copies of notes exchanged between the Secretary of State and the British ambassador at the time of signature of the convention, by which it is agreed that subject to stated conditions, certain enumerated islands the sovereignty of which is definitely recognized by the convention as pertaining to the United States of America, are to continue to be administered by the British North Borneo Co. until the Government of the United States shall give notice to the British Government of its desire that the administration of the islands shall be transferred to it.

It is further agreed by this exchange of notes that the stipulations of the extradition treaties between the Government of the United States and the Government of Great Britain shall be applicable to the islands in question within the limits provided for in the exchange of notes which took place on September 1-23, 1913. Copies of the exchange of notes which took place on September 1-23, 1913, are inclosed for the Senate's information, as are also copies of the notes exchanged between the Governments of the United States and His Britannic Majesty on July 3 and July 10, 1907, mentioned in the first paragraph of the notes exchanged on January 2, 1930, by which the arrangement concerning the administration of the islands by the British North Borneo Co. was effected.

The convention and the administrative agreement provided for in the exchange of notes of January 2, 1930, have received the approval of the Secretary of War and the Governor General of the Philippine Islands.

Respectfully submitted.

J. P. COTTON,
Acting Secretary of State.

DEPARTMENT OF STATE,
Washington, January 21, 1930.

EXCHANGE OF NOTES

BRITISH EMBASSY,
Washington, D. C., January 2, 1930.

HON. HENRY L. STIMSON,
Secretary of State of the United States,
Washington, D. C.

SIR: By the convention concluded between the President of the United States of America and His Britannic Majesty for the purpose of delimiting the boundary between the Philippine Archipelago, on the one hand the State of North Borneo, which is under British protection, on the other hand, the sovereignty over certain islands which have for many years past been administered by the British North Borneo Co. has been definitely recognized as pertaining to the United States of America. These islands which formed the subject of the arrangement effected by an exchange of notes between His Majesty's Government, and the United States Government on July 3 and July 10, 1907, are:

1. Sibaung, Boaan, Lihiman, Langaan, Great Bakkungaan, Taganak, and Baguan in the group of islands known as the Turtle Islands.

2. The Mangsee Islands.

His Majesty's Government in the United Kingdom understand that the Government of the United States of America are prepared to conclude an arrangement in regard to these islands, supplementary to the above-mentioned convention, in the following terms:

Firstly. That the said company be left undisturbed in the administration of the islands in question unless or until the United States Government give notice to His Majesty's Government of their desire that the administration of the islands should be transferred to them. The transfer of administration shall be effected within one year after such notice is given on a day and in a manner to be mutually arranged.

Secondly. That when the administration of any island is transferred in accordance with the foregoing the said company will deliver to the United States Government all records relating to administration prior to the date of transfer.

Thirdly. The United States of America shall not be responsible for the value of any buildings which have been or may be erected of other permanent improvements which have been or may be made in any island the administration of which is subject to transfer, but any buildings or improvements erected or made by the administrative authorities prior to the transfer of administration may be removed provided the interests of the United States of America are not thereby injured. In the event, however, of the island of Taganak being so transferred, the United States Government will give favorable consideration to the question of the compensation to be paid to the said company in respect of the capital expenditure incurred by the company in

connection with the lighthouse situated on the island, and the United States Government will provide for the future maintenance of the lighthouse.

Fourthly. That such privilege of administration shall not carry with it Territorial rights, such as those of making grants or concessions in the islands in question to extend beyond the temporary occupation of the company; and any grant, concession, or license made by the company shall cease upon the termination of the company's occupation.

The United States Government, however, take note of the desire of His Majesty's Government that the following titles to land in certain of the islands which were in good faith granted by the government of North Borneo prior to the arrangement of 1907, be allowed to stand on the terms on which they were issued by that government.

Particulars

Titles	Date of alienation	Period	Approximate total acreage
Boaan Island: 26 native titles.....	June 1, 1907	In perpetuity...	146
Lihiman Island:			
7 native titles.....	do	do	37
1 provisional lease (2416).....	do	999 years	13
Total.....			50
Langaan Island: 4 native titles.....	June 1, 1907	In perpetuity...	12
Great Bakkungaan: 3 provisional leases.....	Sept. 20, 1903	999 years	118

Fifthly. It is agreed that the United States Government shall be exempt from responsibility in respect of acts done in or from any of the islands in question the administration of which has not been transferred to the United States.

Sixthly. The stipulations of the extradition treaties between the United States Government and His Majesty's Government shall be applicable within the limits provided for in the exchange of notes which took place in Washington on September 1/23, 1913, to the islands in question, and the United States Government take note of the importance which, in view of the proximity of the islands to North Borneo, the said company attach to the establishment and maintenance of an adequate police post thereon, in the event of the administration being transferred to the United States Government.

Seventhly. In the event of the cession, sale, lease, or transfer of the islands in question to any third party, the United States Government undertake to use their good offices in commending to the favorable consideration of such third party the desires expressed by His Majesty's Government in the United Kingdom and the British North Borneo Co., as set out in the preceding articles of the present arrangement.

I have the honor, under instructions from His Majesty's principal Secretary of State for Foreign Affairs, to request you to be so good as to inform me whether the United States adhere to the terms of the arrangement above described, and I shall be glad to receive an assurance from you at the time that this note will be considered by the United States Government as sufficient acceptance of the above arrangement on the part of His Majesty's Government in the United Kingdom.

I have the honor to be, with the highest consideration, sir,
Your most obedient, humble servant,

ESME HOWARD.

JANUARY 2, 1930.

His Excellency

The Right Honorable Sir ESME HOWARD, G. C. B., G. C. M. G.,
C. V. O.,
Ambassador of Great Britain.

EXCELLENCY: In Your Excellency's note of to-day's date you stated that His Majesty's Government in the United Kingdom understands that the Government of the United States of America is prepared to conclude an arrangement in the following terms regarding certain islands off the coast of Borneo which have been administered by the British North Borneo Co. in accordance with the arrangement effected by an exchange of notes between His Majesty's Government and the Government of the United States of America on July 3 and July 10, 1907:

Firstly. That the said company be left undisturbed in the administration of the islands in question unless or until the United States Government give notice to His Majesty's Government of its desire that the administration of the islands should be transferred to it. The transfer of administration shall be effected within one year after such notice is given on a day and in a manner to be mutually arranged.

Secondly. That when the administration of any island is transferred in accordance with the foregoing the said company

will deliver to the United States Government all records relating to administration prior to the date of transfer.

Thirdly, The United States of America shall not be responsible for the value of any buildings which have been or may be erected or other permanent improvements which have been or may be made in any island the administration of which is subject to transfer but any buildings or improvements erected or made by the administrative authorities prior to the transfer of administration may be removed provided the interests of the United States of America are not thereby injured. In the event, however, of the island of Taganak being so transferred, the United States Government will give favorable consideration to the question of the compensation to be paid to the said company in respect of the capital expenditure incurred by the company in connection with the lighthouse situated on the island, and that the United States Government will provide for the future maintenance of the lighthouse.

Fourthly, That such privilege of administration shall not carry with it territorial rights, such as those of making grants or concessions in the islands in question to extend beyond the temporary occupation of the company; and any grant, concession, or license made by the company shall cease upon the termination of the company's occupation.

The United States Government, however, takes note of the desire of His Majesty's Government that the following titles to land in certain of the islands which were in good faith granted by the Government of North Borneo prior to the arrangement of 1907, be allowed to stand on the terms on which they were issued by that Government.

Particulars

Titles	Date of alienation	Period	Approximate total acreage
Boasan Island: 26 native titles.....	June 1, 1907	In perpetuity...	146
Lihiman Island:			
7 native titles.....	do.....	do.....	37
1 provisional lease (2416).....	do.....	999 years.....	13
Total.....			50
Lagaan Island: 4 native titles.....	June 1, 1907	In perpetuity...	12
Great Bakkungaan: 3 provisional leases.....	Sept. 26, 1903	999 years.....	118

Fifthly, It is agreed that the United States Government shall be exempt from responsibility in respect of acts done in or from any of the islands in question the administration of which has not been transferred to the United States.

Sixthly, The stipulations of the extradition treaties between the United States Government and His Majesty's Government shall be applicable within the limits provided for in the exchange of notes which took place in Washington on September 1-23, 1913, to the islands in question, and the United States Government takes note of the importance which, in view of the proximity of the islands to North Borneo, the said company attaches to the establishment and maintenance of an adequate police post thereon, in the event of the administration being transferred to the United States Government.

Seventhly, In the event of the cession, sale, lease, or transfer of the islands in question to any third party, the United States Government undertakes to use its good offices in commending to the favorable consideration of such third party the desires expressed by His Majesty's Government in the United Kingdom and the British North Borneo Co., as set out in the preceding articles of the present arrangement.

In reply to the inquiry made on behalf of Your Excellency's Government in the last paragraph of your note of to-day's date, I take pleasure in informing you that the Government of the United States of America adheres to the terms of the arrangement above described, and in assuring you that your note under acknowledgment is considered by the Government of the United States of America as sufficient acceptance of the arrangement on the part of His Majesty's Government in the United Kingdom.

Accept, Excellency, the renewed assurances of my highest consideration.

HENRY L. STIMSON.

The President of the United States of America and His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India,

Being desirous of delimiting definitely the boundary between the Philippine Archipelago (the territory acquired by the United States of America by virtue of the Treaties of December 10, 1898, and November 7, 1900, with Her Majesty the Queen Regent of Spain) and the State of North Borneo which is under British protection,

Have resolved to conclude a Convention for that purpose and have appointed as their plenipotentiaries:

The President of the United States of America,

Henry L. Stimson, Secretary of State of the United States; and

His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India,

For Great Britain and Northern Ireland:

The Right Honorable Sir Esme Howard, G. C. B., G. C. M. G. C. V. O., His Majesty's Ambassador Extraordinary and Plenipotentiary at Washington;

Who, having communicated to each other their respective full powers found in good and due form have agreed upon and concluded the following Articles:

ARTICLE I

It is hereby agreed and declared that the line separating the islands belonging to the Philippine Archipelago on the one hand and the islands belonging to the State of North Borneo which is under British protection on the other hand shall be and is hereby established as follows:

From the point of intersection of the parallel of four degrees forty-five minutes ($4^{\circ} 45'$) north latitude and the meridian of longitude one hundred twenty degrees ($120^{\circ} 0'$) east of Greenwich, (being a point on the boundary defined by the Treaty between the United States of America and Spain signed at Paris, December 10, 1898), a line due south along the meridian of longitude one hundred twenty degrees ($120^{\circ} 0'$) east of Greenwich to its point of intersection with the parallel of four degrees twenty-three minutes ($4^{\circ} 23'$) north latitude;

thence due west along the parallel of four degrees twenty-three minutes ($4^{\circ} 23'$) north latitude to its intersection with the meridian of longitude one hundred nineteen degrees ($119^{\circ} 0'$) east of Greenwich;

thence due north along the meridian of longitude one hundred nineteen degrees ($119^{\circ} 0'$) east of Greenwich to its intersection with the parallel of four degrees forty-two minutes ($4^{\circ} 42'$) north latitude;

thence in a straight line approximately $45^{\circ} 54'$ true (N $45^{\circ} 54'$ E) to the intersection of the parallel of five degrees sixteen minutes ($5^{\circ} 16'$) north latitude and the meridian of longitude one hundred nineteen degrees thirty-five minutes ($119^{\circ} 35'$) east of Greenwich;

thence in a straight line approximately $314^{\circ} 19'$ true (N $45^{\circ} 41'$ W) to the intersection of the parallel of six degrees ($6^{\circ} 0'$) north latitude and the meridian of longitude one hundred eighteen degrees fifty minutes ($118^{\circ} 50'$) east of Greenwich;

thence due west along the parallel of six degrees ($6^{\circ} 0'$) north latitude to its intersection with the meridian of longitude one hundred eighteen degrees twenty minutes ($118^{\circ} 20'$) east of Greenwich;

thence in a straight line approximately $307^{\circ} 40'$ true (N $52^{\circ} 20'$ W) passing between Little Bakkungaan Island and Great Bakkungaan Island to the intersection of the parallel of six degrees seventeen minutes ($6^{\circ} 17'$) north latitude and the meridian of longitude one hundred seventeen degrees fifty-eight minutes ($117^{\circ} 58'$) east of Greenwich;

thence due north along the meridian of longitude one hundred seventeen degrees fifty-eight minutes ($117^{\circ} 58'$) east of Greenwich to its intersection with the parallel of six degrees fifty-two minutes ($6^{\circ} 52'$) north latitude;

thence in a straight line approximately $315^{\circ} 16'$ true (N $44^{\circ} 44'$ W) to the intersection of the parallel of seven degrees twenty-four minutes forty-five seconds ($7^{\circ} 24' 45''$) north latitude with the meridian of longitude one hundred seventeen degrees twenty-five minutes thirty seconds ($117^{\circ} 25' 30''$) east of Greenwich;

thence in a straight line approximately $300^{\circ} 56'$ true (N $59^{\circ} 4' W$) through the Mangsee Channel between Mangsee Great Reef and Mangsee Islands to the intersection of the parallel of seven degrees forty minutes ($7^{\circ} 40'$) north latitude and the meridian of longitude one hundred seventeen degrees ($117^{\circ} 0'$) east of Greenwich, the latter point being on the boundary defined by the Treaty between the United States of America and Spain signed at Paris, December 10, 1898.

ARTICLE II

The line described above has been indicated on Charts Nos. 4707 and 4720, published by the United States Coast and Geodetic Survey, corrected to July 24, 1929, portions of both charts so marked being attached to this treaty and made a part thereof. It is agreed that if more accurate surveying and mapping of North Borneo, the Philippine Islands, and intervening islands shall in the future show that the line described above does not pass between Little Bakkungaan and Great Bakkungaan Islands, substantially as indicated on Chart No. 4720, the boundary line shall be understood to be defined in that area as

a line passing between Little Bakkungaan and Great Bakkungaan Islands as indicated on the chart, said portion of the line being a straight line approximately 307° 40' true drawn from a point on the parallel of 6° 0' north latitude to a point on the meridian of longitude of 117° 58' east of Greenwich.

It is likewise agreed that if more accurate surveying and mapping shall show that the line described above does not pass between the Mangsee Islands and Mangsee Great Reef as indicated on Chart No. 4720, the boundary shall be understood to be defined in that area as a straight line drawn from the intersection of the parallel of 7° 24' 45" north latitude and the meridian of longitude of 117° 25' 30" east of Greenwich, passing through Mangsee Channel as indicated on attached Chart No. 4720 to a point on the parallel of 7° 40' north latitude.

ARTICLE III

All islands to the north and east of the said line and all islands and rocks traversed by the said line, should there be any such, shall belong to the Philippine Archipelago and all islands to the south and west of the said line shall belong to the State of North Borneo.

ARTICLE IV

The provisions of Article 19 of the Treaty between the United States of America, the British Empire, France, Italy, and Japan limiting naval armament, signed at Washington on February 6, 1922, shall, so long as that Treaty remains in force, apply in respect of all islands in the Turtle and Mangsee Groups which are or may be deemed to be comprised within the territories of the Philippine Archipelago on the one hand and of the State of North Borneo on the other hand in consequence of the establishment of the line fixed by the preceding articles of the present Convention. In the event of either High Contracting Party ceding, selling, leasing or transferring any of the islands in question to a third party provision shall be made for the continued application to such island of the aforementioned Article 19 of the Treaty between the United States of America, the British Empire, France, Italy and Japan limiting naval armament, signed at Washington on February 6, 1922, provided that Treaty is still in force at the time of such cession, sale, lease or transfer.

ARTICLE V

The present Convention shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Britannic Majesty, and shall come into force on the exchange of the acts of ratification which shall take place at Washington as soon as possible.

In witness whereof the respective Plenipotentiaries have signed the same and have affixed thereto their respective seals.

Done in duplicate at Washington the second day of January in the year of our Lord one thousand nine hundred and thirty.

HENRY L. STIMSON [SEAL]
ESME HOWARD [SEAL]

ARRANGEMENT EFFECTED BY EXCHANGE OF NOTES BETWEEN UNITED STATES AND GREAT BRITAIN PROVIDING FOR EXTRADITION BETWEEN THE PHILIPPINE ISLANDS OR GUAM AND BRITISH NORTH BORNEO, SIGNED SEPTEMBER 1-23, 1913

[The British Ambassador to the Secretary of State]

No. 231.

BRITISH EMBASSY,
DUBLIN, N. H.,
Sept. 1, 1913.

SIR,

Under instructions from my government I have the honour to request you to be so good as to inform me whether the United States Government would be willing to enter into an arrangement with the Government of His Britannic Majesty by virtue of which fugitive offenders from the Philippine Islands or Guam to the State of North Borneo, or from the State of North Borneo to the Philippine Islands or Guam shall be reciprocally surrendered for offences specified in the existing Treaties of Extradition between the United States and His Britannic Majesty, so far as such offences are punishable both by the laws of the Philippine Islands or Guam and by the laws of the State of North Borneo.

Should your government agree to this arrangement I should be glad to receive from you an assurance that this note will be considered by the United States Government as a sufficient confirmation thereof on the part of His Britannic Majesty's Government.

I have the honour to be, with the highest consideration, sir,
Your most obedient, humble servant,

CECIL SPRING RICE.

The Honourable W. J. BRYAN,
Secretary of State, etc., etc., etc.

[The Secretary of State to the British Ambassador]

No. 139.

DEPARTMENT OF STATE,
Washington, September 23, 1913.

EXCELLENCY:

I have the honor to acknowledge the receipt of your note No. 231, of the 1st instant, in which, under instruction from your Government, you inquire whether the Government of the United States would be willing to enter into an arrangement with the Government of His Britannic Majesty by virtue of which fugitive offenders from the Philippine Islands or Guam to the State of North Borneo or from the State of North Borneo to the Philippine Islands or Guam shall be reciprocally surrendered for offenses specified in the existing treaties of extradition between the United States and His Britannic Majesty, so far as such offenses are punishable both by the laws of the Philippine Islands or Guam and by the laws of the State of North Borneo; and you ask that, in case the Government of the United States agrees to this arrangement, you receive from me an assurance that your note will be considered by the Government of the United States as a sufficient confirmation thereof on the part of His Britannic Majesty's Government.

In reply I am happy to state that the Government of the United States agrees to the arrangement between the Government of the United States and the Government of His Britannic Majesty by which it is understood that fugitive offenders from the Philippine Islands or Guam to British North Borneo and from British North Borneo to the Philippine Islands or Guam shall be reciprocally delivered up for offenses specified in the extradition treaties between the United States and His Britannic Majesty's Government so far as such offenses are punishable both by the laws of the Philippine Islands or Guam and by the laws of British North Borneo; and accepts your excellency's note as a sufficient confirmation of the arrangement on the part of His Britannic Majesty's Government.

Accordingly, the Government of the United States understands the arrangement to be completed by this present note and to be in full force and effect from and after September 23, 1913.

I have the honor to be, with the highest consideration, your excellency's obedient servant,

W. J. BRYAN.

His Excellency Sir CECIL ARTHUR SPRING-RICE,
Ambassador of Great Britain.

ARRANGEMENT EFFECTED BY EXCHANGE OF NOTES CONCERNING THE ADMINISTRATION AND LEASE OF CERTAIN SMALL ISLANDS ON THE NORTH BORNEAN COAST BY THE BRITISH NORTH BORNEO CO., SIGNED AT INTERVALE, N. H., JULY 3, 1907, AND AT WASHINGTON JULY 10, 1907

[The British Ambassador to the Secretary of State]

No. 151.

BRITISH EMBASSY,
Intervale, N. H., July 3, 1907.

SIR: I have the honor to inform you that His Majesty's Government, acting at the request and on behalf of the British North Borneo Co., are prepared to acquiesce in the last proposal stated in your letter to Sir H. M. Durand on the 19th of December last, respecting the administration of certain islands on the east coast of Borneo. I am therefore instructed by His Majesty's principal secretary of state for foreign affairs to place the proposed arrangement formally on record without further delay.

His Majesty's Government understands the terms of the arrangement to be as follows:

Firstly. That the said company be left undisturbed in the administration of the islands in question without any agreement specifying details, the United States Government simply waiving in favor of the said company the right to such administration in the meantime; in other words, that the existing status be continued indefinitely at the pleasure of the two Governments concerned.

Secondly. That such privilege of administration shall not carry with it territorial rights, such as those of making grants or concessions in the islands in question to extend beyond the temporary occupation of the company; and any grant, concession, or license made by the company shall cease upon the termination of the company's occupation.

Thirdly. That the temporary waiver of the right of administration on the part of the United States Government shall cover all the islands to the westward and southwestward of the line traced on the map which accompanies Sir H. M. Durand's memorandum of the 23d of June, 1906, and which is annexed to and to be deemed to form part of this note.

Fourthly. That the British North Borneo Co., through His Majesty's Government, shall agree to the exception of the United States Government from any claim or allegation that the latter Government has incurred any responsibility in respect of acts done in or from any island within the said line.

Fifthly. That the understanding shall continue until the said two Governments may by treaty delimit the boundary between their respective domains in that quarter or until the expiry of one year from the date when notice of termination be given by either to the other.

Sixthly. That in case of denunciation, the United States Government shall not be responsible for the value of any buildings or other permanent improvements which may have been erected or made by the company upon the islands, but permission is hereby given to the company to remove, at its own expense, any buildings or improvements erected by it, provided the interests of the United States be not injured thereby.

I have, therefore, the honor to request you to be so good as to inform me whether the United States adhere to the terms of the arrangement above described, and I shall be glad to receive an assurance from you at the same time that this note will be considered by the United States Government as sufficient ratification of the above arrangement on the part of His Majesty's Government.

I have the honor, etc.,

JAMES BREYCE.

[The Acting Secretary of State to the British Ambassador]

No. 109.]

DEPARTMENT OF STATE,
Washington, July 10, 1907.

EXCELLENCY: I have the honor to acknowledge the receipt of your note No. 151 of the third instant, by which you inform me that His Majesty's Government, acting at the request and on behalf of the British North Borneo Co., are prepared to acquiesce in the last proposal stated in the letter of December 19, 1906, from the Secretary of State to Sir H. M. Durand, respecting the administration of certain islands on the east coast of Borneo, and that you are therefore instructed by His Majesty's principal secretary of state for foreign affairs to place the proposed arrangement formally on record without further delay.

The understanding of His Majesty's Government of the terms of the arrangement is stated by you to be as follows:

Firstly. That the said company be left undisturbed in the administration of the islands in question without any agreement, specifying details, the United States Government simply waiving in favor of the said company the right to such administration in the meantime; in other words, that the existing status be continued indefinitely at the pleasure of the two Governments concerned.

Secondly. That such privilege of administration shall not carry with it territorial rights, such as those of making grants or concessions in the islands in question to extend beyond the temporary occupation of the company; and any grant, concession, or license made by the company shall cease upon the termination of the company's occupation.

Thirdly. That the temporary waiver of the right of administration on the part of the United States Government shall cover all the islands to the westward and southwestward of the line traced on the map which accompanied Sir H. M. Durand's memorandum of the 23d of June, 1906, and which is annexed to and to be deemed to form part of this note.

Fourthly. That the British North Borneo Co., through His Majesty's Government, shall agree to the exemption of the United States Government from any claim or allegation that the latter Government has incurred any responsibility in respect of acts done in or from any island within the said line.

Fifthly. That the understanding shall continue until the said two Governments may by treaty delimit the boundary between their respective domains in that quarter, or until the expiry of one year from the date when notice of termination be given by either to the other.

Sixthly. That in case of denunciation, the United States Government shall not be responsible for the value of any buildings or other permanent improvements which may have been erected or made by the company upon the islands; but permission is hereby given to the company to remove, at its own expense, any buildings or improvements erected by it, provided the interests of the United States be not injured thereby.

The understanding of His Majesty's Government as above recited agreeing with that of the United States, I have the honor formally to announce the adherence of the United States to the arrangement and the acceptance of your note as sufficient ratification of the arrangement on the part of His Majesty's Government.

I have, etc.,

ROBERT BACON.

The treaty was reported to the Senate without amendment.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the ratification of the treaty? [Putting the question.] Two-thirds of the Senate voting in the affirmative, the Senate advises and consents to the ratification.

CHARLES EVANS HUGHES

The legislative clerk announced the nomination of Charles Evans Hughes to be Chief Justice of the United States.

Mr. BORAH. Mr. President, it was my original purpose to content myself with a vote upon the matter before us, but upon reflection I think it just to all parties, particularly to myself, that I state my views in regard to it.

Mr. President, a short time ago, on the 6th of January, 1930, the Supreme Court of the United States rendered an opinion in a matter which seems to me to be of extraordinary importance and to be of relevancy to the matter now before the Senate. That was litigation involving the question of the right of the Baltimore Street Railway Co. to increase its fares. The body which had charge of the matter established a fare which the railway company claimed would result in confiscation of its property. Without going through the details as to the manner in which the question reached the Supreme Court of the United States, it finally went there for consideration. The sole question involved was whether the rate established amounted, if the railway company was compelled to operate under them, to confiscation. I do not understand that the Supreme Court has any power or claims the right to establish what may be considered a fair and reasonable rate when cases come before it in the manner in which this one came before the court. The only question which the court can determine is whether the rate established by the rate-fixing body is so low as to amount to confiscation.

The court in this case held that as the rates brought to the company only 6.26 per cent, it amounted to confiscation; that a return of 6.26 per cent upon the property invested was so low as to amount, in the opinion of the court, to a violation of the Constitution. Included in the elements which made the rate base was the value of the franchise which had been given to the railway company. It was estimated in this particular case that the franchise was of a value of \$5,000,000, and the Supreme Court held that in establishing the rate base and the value upon which the company had a right to collect the rates they might include the franchise which had been donated by the public. In addition it announced a rule as to depreciation. When the opinion was handed down it created considerable discussion, and I think it proper to call attention to some of the language in the dissenting opinion of Justice Brandeis. I may say that there were three dissenting Justices—Brandeis, Holmes, and Stone. In this case Justice Brandeis said:

The claim is that the order confiscates its property because the fare fixed will yield, according to the estimates, no more than 6.26 per cent upon the assumed value. * * *

A net return of 6.26 per cent upon the present value of the property of a street railway enjoying a monopoly in one of the oldest, largest, and richest cities on the Atlantic seaboard would seem to be compensatory. Moreover, the estimated return is in fact much larger, if the rules which I deem applicable are followed. It is 6.70 per cent if, in valuing the rate base, the prevailing rule which eliminates franchises from a rate base is applied. And it is 7.78 per cent if also, in lieu of the deduction for depreciation ordered by the court of appeals, the amount is fixed, either by the method of an annual depreciation charge computed according to the rules commonly applied in business, or by some alternative method, at the sum which the long experience of this railway proves to have been adequate for it.

First. The value of the plant adopted by the commission as the base rate was fixed by it at \$75,000,000 in a separate valuation case decided on March 9, 1926, modified, pursuant to directions of the court of appeals, on February 1, 1928, and not before us for review, *Re United Railways & Electric Co.*, P. U. R. 1926C, 441, P. U. R. 1928B, 737. Included in this total is \$5,000,000, representing the value placed upon the railways' so-called "easements." If they are excluded, the estimated yield found by the commission would be increased by 0.44 per cent. That is, the net earnings, estimated at \$4,691,606, would yield on a \$70,000,000 rate base 6.70 per cent. The people's counsel contended that since these "easements" are merely the privilege gratuitously granted to the railways by various county and municipal franchises to lay tracks and operate street cars on the public highways they should be excluded from the rate base when considering whether the order is confiscatory, in violation of the Federal Constitution.

That is sufficient to disclose the facts and the contention to serve my purpose. There were five Justices agreeing in the majority opinion and three dissenting.

No one will contend, of course, that the Justices rendering the majority opinion were any less sincere or any less patriotic or any less devoted to the public interest, as they view that interest,

than the Justices rendering the minority opinion, but the decision illustrates the wide division of views with reference to one of the most important questions from a legal and economic standpoint which in my judgment confronts the people of the United States to-day; that is to say, what shall be a reasonable rate and what shall constitute the rate base for the public utilities and for all those companies and organizations who have succeeded in securing hold of the great natural resources of the country, which the people must now pay them for their use. I do not know of a proposition of more concern to all the people of the United States than the relationship which the owners of these properties and these natural resources and means of transportation shall bear to the masses of the people of the United States. It is one of the great unsolved problems yet to be finally settled by the Supreme Court.

Bear in mind, Mr. President, that at the present time coal and iron, oil and gas, and power, light, transportation, and transmission have all practically gone into the hands of a very few people. The great problem is, How shall the people of the United States be permitted to enjoy these natural resources and these means of transportation, free from extortion and oppression? I can conceive of no more vital question than this which has long divided our Supreme Court. It has divided the court not because one group of Justices is less or more conscientious in their views but because of a wide difference in viewpoint. I am deeply imbued with the wisdom and justice of the viewpoint of the minority. I do not want to strengthen the viewpoint of the majority. We must either establish a reasonable rule and a reasonable rate with reference to their use or we shall be driven to public ownership of all these resources and means of transportation.

Mr. President, I read that decision not because Justice Hughes was a member of the court but for the reason that, in my opinion, Justice Hughes is associated in his views with the contention which is sustained by the majority, and which, in the end, if carried to its logical conclusion, must result in great economic oppression to the people of the United States.

Mr. Hughes is a man of high standing, one of the distinguished Americans of this day, a man of wide reputation and of acknowledged ability. I do not consider in my remarks anything which has been placed before the committee or published which might be designed to reflect upon his integrity. I am only concerned with the proposition of placing upon the court as Chief Justice one whose views are known upon these vital and important questions, and whose views, in my opinion, however sincerely entertained, are not views which ought to be incorporated in and made a permanent part of our legal and economic system. A rule can be established and in my opinion we are strongly moving to that point which will result in exacting from the people millions of dollars, year by year, to the advantage of those who are not in justice entitled to it.

Before I proceed to a discussion of Mr. Hughes's position upon this class of questions, I feel compelled to call attention to another matter which is no less important to my mind although not perhaps of such wide ramification as the one to which I have referred. It will be recalled that some years ago Mr. Newberry was a candidate for the Senate from the State of Michigan. After the primary was over he was charged in an indictment with the criminal offense of having violated the Federal corrupt practices act. He was tried by a jury and convicted. There was little dispute about the evidence; there was little controversy about the facts; and the jury found that he was guilty of the offense charged. His counsel then took an appeal to the Supreme Court of the United States.

Mr. Hughes appeared in that case for Mr. Newberry. I do not complain, even by implication, that he should appear for Mr. Newberry, but I do, when I am called upon to vote for Mr. Hughes for Chief Justice of the United States, complain of the kind of defense which he made in that case. I complain of the method which he adopted or the argument which he presented for the purpose of relieving Newberry of the crime of which the jury had convicted him; and his argument disclosed that, in his judgment, that was the only means by which the defendant could be cleared of his conviction. This case involved the corruption of the electorate, the poisoning of the very sources of political power, something which strikes down free government, an evil subtle and persistent against which free government must be on guard every hour.

The contention made by Mr. Hughes was that the Congress of the United States had no control, no power over the original sources of political activity which would result in the selection of a Senator of the United States. His contention was that the Federal Government was without power to protect against corruption on the part of those who were seeking nomination at the hands of the people for a place in the Senate of the United States. If Mr. Hughes, instead of Chief Justice

White, had sat as Chief Justice we would to-day have this situation, that the Congress of the United States would be wholly without power to protect against corruption on the part of those who seek a seat in the United States Senate, if that corruption took place at any time prior to the actual election. He might have unblushingly bought his nomination; the Federal Government was powerless.

Mr. President, Mr. Hughes was arguing a great constitutional question; I must assume that he presented his sincere views to the court; and if that be true, if it be his view that the Federal Government is without power to deal with this subject, I assume that he would render that kind of an opinion if he were sitting upon the court. But whether that be so or not, I myself am unwilling by my vote to give approval of a contention that the Congress of the United States has no control over the method and means by which men seek nomination to a position in this body, by selecting the most illustrious advocate of this doctrine to be Chief Justice of the court which must ultimately settle it. Sometime, and at no distant time, that question must receive final consideration by the court. I am afraid of the predilections which might accompany its consideration.

Mr. President, I pass on to a feature of the discussion which interests me and to which I referred by reading from the opinion of the Supreme Court in the street-railway case.

Mr. WATSON. Mr. President, if the Senator will yield to me to ask him a question for information—my mind is a little hazy on the subject—what was the position of the court in the Newberry case?

Mr. BORAH. There were four judges who took the view that was advocated by Chief Justice Hughes, four who took the opposite view, and one who declined to give an opinion upon that particular phase of the controversy, so far as it dealt with the future.

Mr. WATSON. Did Mr. Hughes in his argument take the position that under the law as it then existed the Federal Government had no jurisdiction in the case of a violation of the law in the primaries or that it would not enact such a law?

Mr. BORAH. Mr. Hughes took the position that under the Constitution there was no authority vested in Congress to enact any law touching that subject.

Mr. WATSON. To enact any law at all?

Mr. BORAH. To enact any law at all.

Mr. WATSON. Concerning a primary?

Mr. BORAH. Concerning a primary.

Mr. GLASS. Mr. President—

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Virginia?

Mr. BORAH. I yield.

Mr. GLASS. Before the Senator from Idaho leaves that particular phase of the discussion, I wonder if he recalls the fact that when the present Senator from Michigan [Mr. COUZENS] was proposing an investigation of the Treasury Department the President of the United States sent to this body one of the most extraordinary messages ever delivered to the Congress of the United States, in which he made the contention that the Senate had no constitutional right to investigate any of the activities of the Treasury or of any other department of the Government? And I wonder if the Senator recalls that that message of the President was practically a brief prepared by Mr. Hughes, who was then Secretary of State, and incorporated bodily as a message of the President of the United States to Congress?

Mr. BORAH. I recall, in a general way, those facts. I have not, however, refreshed by memory lately as to the message, which, I presume, is available.

Mr. President, under the fourteenth amendment the Supreme Court of the United States, as to most questions of a nature similar to the one which the court passed upon in the railway case, becomes really the economic dictator in the United States. As Justice Sutherland says in his majority opinion, what constitutes confiscation is not a thing that one can mathematically ascertain; it is according to the view or the viewpoint of those who are passing upon it; it is according to the view of whether one is thinking most about property and the rights of property or about human rights or the rights of individuals. I do not wish to be understood as going any further than saying that, however sincerely that view may be entertained, which places the greatest stress upon the rights of property, I do not feel that I ought to vote for a man as Chief Justice of the United States who will be in a position to advance that doctrine to its full fruition. I think when we are passing upon this matter we are entitled to take into consideration the views upon constitutional and economic questions which the nominee entertains.

In many respects the Chief Justiceship of the United States Supreme Court is far more important than is the Presidency of the United States. The influence which Marshall exerted, the

influence which Taney exerted upon this Government and the powers of government far exceeded any influence which has ever been exerted by any President in that particular regard. It is no ordinary matter to place a man in the Chief Justiceship of the Supreme Court of the United States, a court with its wide sweep of jurisdiction encompasses almost every question which can be of concern to the people of the United States.

Mr. Hughes, since he left the office of Justice of the Supreme Court of the United States 16 years ago, has been engaged in private practice. A study of his decisions before he left the court, a study of his briefs, a study of his public expressions leaves no one in doubt as to the views which he entertains upon these questions. If one wishes to know the extreme view which he entertains, consider his position and his argument in the radio case, where he contended that after the issuance of the license the licensee acquired a vested right in perpetuity. To my view that is almost a shocking proposition. When we are just starting in the development and use of the air for the transmission of intelligence it does not seem to me to be defensible that those who acquire a license acquire also a vested right in perpetuity to use the air. Reflect where such a proposition, if established, would lead us; the vast advantage it would be to a few men, to the eternal disadvantage of the millions. I denounce the proposition as the very incarnation of the deification of property. It is that extreme view, Mr. President, which exalts property rights above all other rights; that extreme view which believes that the Government, and all that the Government represents, may be reduced down at last to the rights of property.

Then, Mr. President, upon leaving the Secretaryship of State, Mr. Hughes became immediately the attorney for the vast oil interests of the United States. I say nothing about the proposition that he stepped from the Secretaryship of State into the employment of the great oil corporations whose interests he had been, as Secretary of State, looking after in Mexico and Persia—necessarily looking after in discharging his duties as Secretary of State.

Mr. WHEELER. Mr. President—

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Montana?

Mr. BORAH. I do.

Mr. WHEELER. Before the Senator leaves the question of radio, I think the fact ought to be called to the attention of the Senate that the Supreme Court did not pass upon the question that Mr. Hughes presented—namely, as to whether or not there was any property right—but they left that question for decision at a future date. So when Mr. Hughes is placed upon the Supreme Court as Chief Justice he will have to decide that very matter, and if the Supreme Court should decide that there was a vested right it would mean that the power interests of this country and the radio interests of this country combined would own 25 of the 40 cleared channels in the United States.

Mr. BORAH. Yes, Mr. President; I thank the Senator, and I may say that there is now a case on the way to the Supreme Court from Chicago involving that precise proposition.

Mr. DILL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Washington?

Mr. BORAH. I do.

Mr. DILL. The case in which Mr. Hughes appeared was never presented to the Supreme Court as such. It was tried in the District of Columbia Court of Appeals, and the Supreme Court refused to take jurisdiction of it. The District of Columbia Court of Appeals simply waved aside the question of property rights; but, owing to the fact that the question will come up in another case, Mr. Hughes would be entirely qualified legally to sit.

Mr. BORAH. I was aware that it never went to the Supreme Court for decision.

Mr. SHORTRIDGE. Mr. President—

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from California?

Mr. BORAH. I do.

Mr. SHORTRIDGE. Does not the Senator differentiate between the advocate and the judge?

Mr. BORAH. Mr. President, I suppose there is a distinction between the advocate and the judge; but I can not conceive that Mr. Hughes would go before the Supreme Court of the United States to fasten upon this country a constitutional construction which would last for all time and affect our people so long as the Government endures unless he actually believed in it. If Mr. Hughes should argue to the Supreme Court of the United States that they had no power to protect the integrity of elections or primaries in the United States, I should assume that in a matter of such supreme importance Mr. Hughes would have to be sincere in his advocacy of that position before he would

accept a fee to argue the case. While, as the Senator knows, there is a distinction, when it comes to dealing with great constitutional questions which affect the people for all time and shape and form our Government, I should not like to say that Mr. Hughes would be an advocate and not be sincere upon such a proposition.

May I say, further, that Mr. Hughes became attorney for the oil interests, for the American Petroleum Institute. What was that? The American Petroleum Institute was an association or combination upon whose board of directors sat Doheny and Sinclair and Stewart, and who were directing or undertaking to direct, under the advice and counsel of Mr. Hughes, the oil policy of the United States. I take it that if Mr. Hogan's name had been sent here, the fact that he appeared as the attorney in the oil cases would not have advanced his cause in this body; and yet Mr. Hughes was carrying out his policy and, under his astute directorship, undertaking to shape the policy of the great oil interests of the United States in matters which were infinitely more important than the affairs with which Mr. Sinclair and Mr. Doheny had to do, and for which they were afterwards called to account by the Government. Mr. Hughes appeared before the board and made an argument to the effect that the Government had no power, no means by which to restrain, control, or direct the great oil companies in the production of oil. He argued that the Government should keep its hands off; that the Standard Oil Co. and the Royal Dutch Shell Co. and the Sinclair Co. and other companies of modest appetites should be permitted to control the matter solely in their own fine discretion.

I can not believe, Mr. President, that we can say justly to the people of the United States, however much Mr. Hughes may be esteemed in some particulars, that we are justified in placing him in a position where he is to deal with this subject as Chief Justice of the United States.

Then when the Interborough Co., of New York, undertook to collect increased fare, it was Mr. Hughes who lent his great name to the enterprise. Fortunately, the Supreme Court refused to take his view of the question.

When the meat packers became dissatisfied with their decree, it was Mr. Hughes who appeared and denounced the decree; and do not forget that they are now asking for a modification which would amount to a destruction of the decree.

Mr. Hughes appeared for the American Jersey Pottery Co. when it was charged with violation of the Sherman antitrust law. Notwithstanding his great ability, they were found guilty.

He appeared also for the American Malleable Castings Iron Co. when it was charged with violating the Sherman antitrust law.

Mr. President, I ask this question: When during the last 16 years has corporate wealth had a contest with the public, when these vast interests claimed advantages which the public rejected, that Mr. Hughes has not appeared for organized wealth and against the public?

Mr. President, I have not the time to take you into the briefs, the arguments, and the expressions of view of Mr. Hughes. You would not be patient with me if I did so, perhaps; but from reading these briefs and these public expressions I am of the opinion that Mr. Hughes was representing his real views when he appeared for these companies. I am of the opinion that he feels that practically no restraint ought to be placed upon the vast corporate interests of the United States. I am of the opinion that he will go on the bench as Chief Justice carrying with him the conviction that these efforts at restraint are unwise, and that, after all, we must in a large measure leave the course of these vast interests to their own discretion and to their own judgment.

Mr. President, I had intended to make some remarks about the Shreveport case which was mentioned yesterday; but as another Senator, I think, will refer to that, I shall only say that if the Shreveport case is followed to its logical conclusion, all State regulation, all State control of utilities has practically passed out of existence; and, of course, as my colleague to my left [Mr. NORRIS] reminds me, the opinion was written by Mr. Justice Hughes.

Mr. DILL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Washington?

Mr. BORAH. Just one moment.

Now, I want to ask the Senate a question.

We are entering upon an era when the greatest undecided question before us is that of determining the relationship of these vast corporate interests to the millions of people in the United States who must pay them toll year by year. Could there be any more profound question, touching the interest of every man, woman, and child in the United States for years

and years to come, than the question of how much the oil people, power people, the gas people, the transportation people, and all others dealing with those questions shall charge the people of the United States for their commodities and services? The decision which Mr. Marshall rendered in the *McCulloch* case affected for all time the governmental questions of the United States; but the question of what shall be the relationship of our people to those who have gathered up our natural resources and who are in control of the means by which we reach the natural resources of the United States, when it is finally determined, will affect more directly, more pointedly the whole people of the United States than any other decision that has ever been rendered by the Supreme Court of the United States.

I yield now to the Senator from Washington.

Mr. DILL. Mr. President, I desire to ask the Senator this question: with judges in the Supreme Court of the United States holding the views that Mr. Justice Hughes has expressed and that the court has expressed on the subject of valuation, is it possible by anything short of a constitutional amendment to prevent the court in the future from carrying out to its full fruition the objectionable valuation system that the Senator has so ably discussed?

Mr. BORAH. I do not know of any means by which the situation could be controlled except by constitutional amendment; and the same power that can place those judges upon the bench would prevent the passage of a constitutional amendment.

Mr. BLEASE. Mr. President, I shall detain the Senate for only a few moments.

I have not changed my opinion that if Mr. Chief Justice Taft had been himself—and when I say “himself” I do not mean that he is not himself in mind at this time—he would not have resigned as Chief Justice of the United States. It is very hard to get on the inside of family affairs, especially in deals like this.

I firmly believe, and I believe that this country will find out, that there is a determined purpose on the part of some people to make this to a large extent an hereditary government; and if a view to-day is taken of the relatives who have been appointed and who are holding office of former Presidents of the United States, and of present judges and past judges of the United States, and other public officials of the United States, it will be seen that there is an effort to make this a government of the few, by the few, and for the few, and to hold certain power over the whole people, so that when decisions are rendered, either on the bench or off the bench, they shall be rendered by one of those connected in some way with one of these which has a peculiar interest with the others, financially or otherwise.

In my opinion, if Mr. Justice Taft had been let alone—and I do not speak altogether on my own word—it would not have been very long before he would have been able to return to the bench. His health is very much improved now. I am not at liberty, I presume, to state just exactly what was said from his home this morning, but I do state that he is improving rapidly, and that comes directly from a member of his family.

This would not be the only case in which one nominated to be Chief Justice was not confirmed because of a reason which was not really given. This is not the only instance where the Senate has been called upon to act where the reason for acting was different from what really did cause the action.

I was criticized yesterday for objecting to this confirmation. It is the second time that a justice of the Supreme Court who resigned was appointed Chief Justice of the United States. In the case of the other appointment he was not confirmed.

Mr. Rutledge was appointed Chief Justice, and served for about six months. When his nomination came before the Senate he was not confirmed. The real reason for his not being confirmed as given at that time was not the true reason, and he was kept from remaining on the bench. This is the second time only that a Justice resigned and was reappointed to the United States Supreme Court.

I repeat, and I believe, that there was a political intrigue, on account of certain cases pending and to be pending at an early date before the Supreme Court of this Nation, to get Mr. Taft off that bench for the purpose of putting on this man, whose opinions have already been written in many of those cases in the form of arguments, and if he was not sincere in the opinions which he wrote then, and if he was not sincere as a practitioner in presenting his honest views to the court upon those questions, he is not a proper man to sit on the Supreme Court of the United States or any other court. A lawyer who will go into a court and use subterfuge arguments, arguments which he himself does not believe, which he himself, as a judge, would not uphold, is unfit to sit upon the bench in this country.

I believe, therefore, that people who knew Mr. Taft's ideas about these matters, and knew his honesty and uprightness, wanted a man, before those cases reached the Supreme Court, who had already said by argument what his opinions in such cases would be.

My distinguished friend the Senator from Idaho mentioned the question of the primary. On that proposition I thoroughly agree with Mr. Hughes. I think, and I have said before, that the Senate of the United States has nothing to do with how a party nominates its candidates. Their function is to decide whether or not the people of a sovereign State honestly and fairly elect a man to this body; and if they do, I think it is the duty of this body to seat him; and if they find out afterwards that he is disqualified for any reason, it is their duty to put him out. Property rights, however, are above and more sacred than the election of any man as Senator.

Mr. President, I have not a thing against Mr. Hughes as a man, and he is a great advocate, but I do think that it will be a mistake to make him Chief Justice of the United States at this time; I do think it is a mistake that we permitted Mr. Taft to be retired just at this time, and if his health does not improve I think one of the reasons for it will be that he was in this way taken off the Supreme Court Bench. We have had instances of that right here—where retirement from this body caused an earlier death than would have occurred if the one had remained here.

Mr. FESS. Mr. President, will the Senator yield?

Mr. BLEASE. With pleasure.

Mr. FESS. I have just talked with the son of Chief Justice Taft, and he told me that the doctors say that the Chief Justice could not, under any circumstances, resume his work on the bench. That is the word from the Chief Justice's son.

Mr. BLEASE. Mr. President, I do not know the young man at all, but I understand that if his father goes off the bench, he will become Solicitor General of the United States.

Mr. FESS. Mr. President, I am authorized to say that while the position has not been tendered to him, were it tendered to him, he could not under any circumstances accept it, and he would not.

Mr. BLEASE. I am very glad to hear that, for his father's sake.

Mr. GLASS. Mr. President, I shall not detain the Senate more than a few moments, and I hesitate to have anything to say on the subject now engaging its attention, but having indicated by an interrogatory on yesterday my inclination upon the appointment of Mr. Hughes to the Supreme Court bench, I think I would desire to state just exactly why I shall not vote for his confirmation.

The constitutional duty of the Senate to advise and consent as to certain important appointments in the Federal Government long ago became a misnomer. The Senate is never given an opportunity, or is rarely given an opportunity, to advise, and more frequently than otherwise its consent is mechanical and not based upon inquiry or its considered judgment.

So far as advice is concerned, we all know that even those Senators whose States are peculiarly affected by nominations to office are not advised with, sometimes not even apprised of the intention of the Executive before the nomination is sent here. That was the case in this instance. The Senate scarcely had learned of the resignation of the Chief Justice before it was apprised officially, by a communication from the President, that his successor had been selected.

My futile objection to the confirmation of this nominee is based, first, on his lack of sensibility. In theory and in expectation a person appointed and confirmed to the highest court in this land should serve for his lifetime, or until he is himself convinced that he has reached that point of service and that age in life when he finds himself disqualified for the position.

That is why Supreme Court judges have life tenure, and it has always seemed to me an exhibition of the severest indifference to that theory and that consideration for any Justice of the Supreme Court of the United States to contemplate for a moment discarding the ermine and coming down from his exalted station to participate selfishly in the turmoils and disputes of partisan politics. I believe this whole country felt a shock, as it was grievously distressed, when Mr. Justice Hughes resigned his place on the Supreme Court bench to be a candidate for President of the United States.

I think the offense, if such it be—and such, in my conception, it was—is frightfully accentuated when he is nominated for a position upon that same bench and indicates a willingness to accept such nomination. For that reason alone I could not in conscience or judgment vote for his confirmation, because, as I have said perhaps rather severely, such action indicates an insensibility that does not become a man who is to pass in the

last stage and final analysis upon the great concerns of this Nation.

Then, again, I should vote against his confirmation because he wrote the decision of the court in the famous Shreveport case. Mr. President, in this period of our national life, when we find a Republican President from the State of Massachusetts so deeply concerned for the integrity of our dual system of Government as that over and over again, first at one point and then at another, he has felt obliged to protest against the repeated invasion of the rights of the States by the Federal Government, the Senate, under its coequal obligation to preserve the integrity of our system, should pause to consider whether it may properly or safely put upon the Supreme Court bench any man who has indicated such a perfect antipathy to the rights of the States as has this nominee for Chief Justice of the Supreme Court of the United States. In the Shreveport decision every right that a State had possessed of control of interstate traffic was literally stripped from it, and since that decision the Interstate Commerce Commission has reached out time and time again and arrogated to itself powers, in one instance at least, which the Congress of the United States itself does not possess. There is not a sentence textually or by suggestion in the Constitution of the United States that gives warrant for anything of the kind. I venture, not with assurance, but with painful diffidence, to express the opinion of a layman to that effect. In that important aspect of the situation I am unable to get the consent of my judgment or my conscience to vote for this confirmation.

Two years ago in the Lake Cargo case, the Interstate Commerce Commission actually assumed the function and the right to determine what section of the country could prosper and what section might under its decision be impoverished. It assumed the right to confuse its proper function of determining just and fair transportation rates with the function of determining what character of labor a particular industry might employ, what wages a particular industry should pay, except under penalty of reprisal in the decisions of the Interstate Commerce Commission. So outraged was the sentiment here at that assumption of power that the Senate refused confirmation of the reappointment of one of the most distinguished members of the Interstate Commerce Commission, a gentleman whom we all respected and many loved, and with whom some of us had for 20 years been associated in legislative matters. We rejected him purely upon the ground that he had apparently yielded, not corruptly, but timidly, to the judgment of interested parties and asserted an authority which the Congress itself had no right to delegate and does not itself possess.

Then again, adverting to my interruption of the Senator from Idaho [Mr. BORAH] a while ago, five years ago when the senior Senator from Michigan [Mr. COUZENS] felt that there was grave maladministration in a bureau of the Treasury, almost concurrently with the frightful corruption and treason disclosed by the investigation of the oil interests, the President of the United States actually challenged the right of the Senate to make the investigation proposed by the Senator from Michigan, called it a lawless procedure, and said in plain terms that the Senate of the United States had degenerated into a body of government by investigation. I have reason to believe, if not confidently to assert, that such challenge of the rights of the Senate was formulated by the gentleman whom we are now asked to confirm for a position in the Supreme Court of the United States—formulated in the nature of a brief and incorporated in a presidential message. Had that view prevailed here, very likely Mr. Daugherty would still be the Attorney General of the United States, and very likely other gentlemen of his peculiar type—I was about to say would enjoy their liberties unmolested, but they have.

So, Mr. President, briefly and with actual distress, I have stated the reasons why I feel obliged to withhold my vote of consent to the confirmation.

Mr. WAGNER. Mr. President, I do not rise to defend Mr. Hughes. Mr. Hughes needs no defender. As to the question of his fitness to hold this great office it seems to me that his high character, the esteem in which the public holds him, and his past record of public service, completely answer the question. It would be ungracious of me to fail, however, to rise in this Chamber and express my pride and the pride of the people of the State of New York in the selection of one of our most distinguished citizens to the high office of Chief Justice of the United States. If commendation to my colleagues in this Chamber were necessary, I would commend him because in the consideration of an office as high as that to which Mr. Hughes has been appointed we should all be immune to partisanship, and I am in this instance.

But it is not merely because of a neighborly spirit that I am prompted to say a few words.

I have regard for his distinguished services as Governor of the State of New York. I had the honor to serve during his administration as a member of the State legislature. I recall with very great satisfaction that, although of opposite political faith, I supported him in several of his very important proposals for the betterment of our State government, which were finally enacted into law. I have regard for the splendid statesmanship which he exhibited as Secretary of State. I have regard for the substantial contribution which he made to the deliberations of the United States Supreme Court during the time that he was a member of that tribunal. His return to that office can not fail to be gratifying to all of us who are aware of his extraordinary capacity, equipment, and training to carry forward the traditions of this very great office and to perform its rigorous duties.

Mr. President, I hope that his nomination will be confirmed. Mr. COPELAND. Mr. President, I can not let this opportunity pass without saying something of one of my neighbors. I am glad that my colleague has spoken of him as he did.

Recently, a constitutional amendment was adopted in the State of New York providing for a commission to reorganize the State government. It was made up of all the living ex-governors, leading lawyers, and outstanding business men. Mr. Hughes was chairman of that commission. I served as a humble member.

During the weeks when the meetings of the commission were in progress I had an unusual opportunity to observe his remarkable ability and to estimate his high character.

I found him to be an able, conciliatory, sensible, alert, industrious chairman of that commission. I found him ready on every occasion to listen to the comments and even to be swayed in his judgment by the opinion of other members of the commission.

I speak of him in that capacity. Others speak of his conceded prominence as a lawyer. I know him as a fine, upstanding, Christian gentleman, one of the model citizens of the great city of New York. I trust that my colleagues in the Senate will vote for his confirmation. There should be no question as to our decision and favorable action.

Mr. GILLETT. Mr. President, I dislike to take any of the time of the Senate, because I appreciate we are all eager to vote, but I think a word ought to be said on this side of the House in favor of this nomination.

The objections stated, as I understand, are two: One is that when a Justice of the Supreme Court Mr. Hughes accepted the nomination for President. We, all of us, of course, dislike to have the Supreme Court, as was stated yesterday by the Senator from Nebraska [Mr. NORRIS], permeated with politics; we wish to keep that tribunal above the range of partisanship; but the nomination of Mr. Hughes for the Presidency had nothing to do with his service as a Justice of the Supreme Court. It can not be claimed that as Justice he catered for public or partisan favor. He was nominated not because of opinions he delivered as a member of the court, not because of his service there, but he was nominated because when he went upon the court he was a striking national figure and one of the foremost statesmen of the country. I can not agree with the Senator from Virginia [Mr. GLASS] that the country was distressed at his accepting the nomination; I suspect the Democratic Party was distressed, although it proved that their distress was but temporary; but I believe the people of the country at large believed that it was quite natural and proper that he should accept that nomination, and, while we can not investigate motives, it may well be that with patriotic motives he thought there was a greater field of service as President than as Justice.

The second objection which has been advanced is because of the character of service Mr. Hughes has rendered as a lawyer. Mr. President, it seems to me that such a criticism implies that no great and successful lawyer can ever be nominated and confirmed a Justice of the Supreme Court. The call is inevitable and irresistible for every lawyer of extraordinary ability to go from the country to the city where the great professional prizes are, and if he succeeds in the city he is bound to get as clients what every lawyer is seeking for, those who control the most important interests. So Mr. Hughes attracted as clients the great business interests of the country. They are the ones that naturally demand the highest talent; that can pay for the highest talent; and every great lawyer necessarily has them as his clients. Mr. Hughes combined in an extraordinary degree great intellectual acumen, breadth of view, power of argument, and a painstaking, unflagging industry, and these qualities necessarily made him a leader in his profession and brought to him swarms of clients, many of whom represented the largest business interests. However, to say that thereby he accepts their business principles, and that thereby his state of mind is so affected that afterwards he can not sit as an impartial judge,

I think is a very mistaken conclusion. I do not agree that the argument of a lawyer in a case which he is prosecuting is at all a guide as to his decisions upon the bench when he may have to pass upon similar cases. An advocate is compelled to present to the court his side of his case with all the strength of his talent, but when he is appointed to the bench, then he exercises his judicial temperament and passes upon the merits of the case.

I remember a distinguished instance that it would not be proper for me here to quote of the position taken by a lawyer as counsel which was afterwards absolutely repudiated by him when sitting upon the bench. That is what we expect from every great lawyer and citizen, and that is what Mr. Hughes unquestionably is. I believe if asked, "Who is the leading lawyer of the United States?" that ninety-nine out of every hundred intelligent men would answer, "Mr. Hughes is the leader of the American bar." And I believe about the same proportion would acclaim his appointment as Chief Justice.

Mr. Hughes has had a magnificent career as a statesman as well as a lawyer, and he is in every way, in my opinion, peculiarly qualified for the position to which he has been nominated.

A leading Democrat of the House of Representatives the other day admirably expressed what I believe is the general feeling of the country when he said:

I was delighted on yesterday when upon the resignation of the great and much-loved Chief Justice Taft the President without hesitation selected the one outstanding lawyer in the United States to fill the position of Chief Justice.

That expresses, I think, Mr. Hughes's status in public opinion. I believe there is as applicable to him as to any living lawyer the famous words of Daniel Webster:

When the judicial ermine fell upon the shoulders of John Jay it touched nothing less pure than itself.

Mr. DILL. Mr. President, I should like to know from the leader on the other side whether it is his intention to have a vote on this nomination to-night.

Mr. WATSON. It is the intention to secure a vote to-night, if that be possible.

Mr. DILL. I want to say to the Senator that I wish to discuss the nomination for some time, and I think other Senators want to discuss it. I thought the Senator would probably rather take a recess now than to continue longer in session at this hour.

Mr. WATSON. It is probably as good a time to hear conversation as any other.

Mr. NORRIS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Nebraska?

Mr. WATSON. I yield.

Mr. NORRIS. I have no disposition to prolong the debate or to put off a vote, but I will say to the Senator from Indiana that there are a number of Senators—and I did not know their intention until recently—who expect to speak. One of them is looking up something, and he told me a few moments ago he had not been able as yet to get what he desires. He wishes to make an examination. If the Senator insists on remaining in session I do not have any doubt that we will have to remain in session for quite a long time, and I do not see any reason why we should continue this debate any later than we usually continue the debate on the tariff bill in the afternoon; and I suggest to the Senator, as it is now nearly half past 5, that we take a recess until 11 to-morrow.

Mr. WATSON. There have been four or five occasions when the Chair was about to put the question, and once no Senator rose.

Mr. NORRIS. There were three or four on their feet the last time.

Mr. BROOKHART. I notified our distinguished leader yesterday that I desired to speak.

Mr. WATSON. I did not know but that the Senator from Iowa had changed his mind.

Mr. BROOKHART. No; I have not.

Mr. NORRIS. I do not see any reason why the session should be prolonged at this hour. There is no attempt to filibuster or anything of that kind.

Mr. WATSON. I understand that.

Mr. NORRIS. The request for a recess now is not an unreasonable request, I will say to the Senator. He may make a motion and take up the question of the nomination anytime he desires to-morrow. If he wants to begin earlier to-morrow, there will be no objection to that.

Mr. WATSON. Let us have the discussion go on for a little while—for 15, 20, or 25 minutes—and see what may develop.

Mr. NORRIS. The debate will not be concluded, I know, by that time.

The VICE PRESIDENT. The question is, Shall the Senate advise and consent to the nomination?

Mr. DILL. Mr. President, I had hoped that we might take a recess now, for two reasons: In the first place, I want a little more time to prepare my remarks; and, in the second place, it is very evident that this discussion can not be completed for some time if we shall remain in session this evening. However, if it is the desire of the Senate to continue the debate I will proceed, although I will say to the Senator from Indiana that, if he only intends to run for half an hour or so, there is no use of continuing the session. If the Senator is going to continue through the night until the debate shall have been concluded, that is another matter; but, as I have said, I should like a little more time to prepare what I have to say. I had not expected to speak to-day, and I do not think that it is unreasonable to ask that we take a recess until to-morrow.

Mr. WATSON. The only reason—

Mr. SMITH. Mr. President—

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from South Carolina?

Mr. WATSON. I yield.

Mr. SMITH. May I ask the Senator from Indiana if he will not allow the nomination to go over, because these are some of us who should like to look up some of the matters to which reference has been made this afternoon. The responsibility is on us. The nomination has been rather hastily carried forward since the time it was received. I do not think anything will be lost by giving some of us a little more time to inform ourselves as to the facts.

Mr. WATSON. Mr. President, I move that the Senate recess—

Mr. SMOOT. Mr. President, can we not reach an agreement as to a time for voting? Why not meet to-morrow at 11 o'clock, take up the nomination at 4 o'clock, and agree to vote not later than 6 o'clock?

Mr. NORRIS. Mr. President, let us have no misunderstanding. I have no objection if the Senator from Indiana wants to go into executive session at 11 o'clock to-morrow, and I do not think there will be any objection to that from any quarter, although I do not think we ought to go into executive session that early; but I can not agree at this time to fix an hour for a final vote. I think it is quite apparent that that can not be done.

RECESS

Mr. WATSON. I move that the Senate take a recess until 11 o'clock a. m. to-morrow.

The motion was agreed to; and (at 5 o'clock and 26 minutes p. m.) the Senate, as in open executive session, took a recess until to-morrow, Wednesday, February 12, 1930, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

TUESDAY, February 11, 1930

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Direct us, our Heavenly Father, to employ our knowledge and the influence of our position, to which our country has exalted us, in obedient endeavor to do good. Work in us both to will and to do Thy good pleasure. Endow us with a genuine, sincere, honest, and hearty purpose to serve Thee and the Republic. We ask to know Thy will toward us; then may we love to follow it. Then above all the sounds of time will be the note of triumph, for Thou wilt bring us off more than conquerors. In future years the sweetest note of our immortal song shall be: "He hath done all things well." For Thy name's sake, hear our prayer. Amen.

The Journal of the proceedings of yesterday was read and approved.

WOOD PRODUCTS OF VERMONT AND THE TARIFF

Mr. GIBSON. Mr. Speaker, I ask unanimous consent to extend in the RECORD some remarks of my own in regard to certain wood products in my State.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. GIBSON. Mr. Speaker, one of the major problems of the district I represent is the maintenance of our small cities, towns, and rural communities. Many of these are dependent upon some small industry for the employment of such labor as is not engaged in farming. Some are woodworking establishments which purchase raw material in the immediate vicinity and from the farmers. In this way labor is given employment

and the farmer finds a market and receives some income from his lumber product.

Our farmers are in need of assistance to make ends meet. This is apparent when we make a study of the farm conditions of our State. A survey shows 310,000 acres withdrawn from cultivation from 1920 to 1925. This represents 7 per cent of all our farm land. This fact presents a real present need for some relief to agriculture and the small industries of our section of the country.

When Members of Congress consider tariff legislation in terms of New England they should understand that Vermont is essentially different from the rest of that section, in that we have no large industrial centers. Our State is rural, and more like the State where relief, through proper tariff adjustment, is an economic demand.

Among these small industries is that of the manufacture of spring clothespins. The manufacturers have struggled along since 1887, with growth of business retarded by the increasing competition from Scandinavian and other European countries. The average wage scale in these countries is 11 cents an hour, while it is above 35 cents in this country. We can not compete on such a basis.

The cost of raw material entering into the manufacture of spring clothespins and the cost of labor is shown in the following table:

Wood products of Vermont and the tariff

	United States	Sweden	Finland
Cost of logs (per M feet).....	\$23.00	\$20.00	\$15.00
Cost of wire (per hundredweight).....	4.88	3.89	3.89
Cost of labor (per hour):			
Mechanic.....	.60-.75	.35	.27
Common—			
Male.....	.40	.16	.13
Female.....	.30	.08	.06-.07

The cost production prices of these pins delivered are as follows:

Wood products of Vermont and the tariff

	United States	Sweden	Finland
F. o. b. factory (per gross).....	\$0.355		
C. i. f. Boston.....	.3688	\$0.165	\$0.165
C. i. f. New York.....	.372	.165	.165
C. i. f. St. Louis.....	.3818	.165	.165
C. i. f. Houston.....	.4178	.165	.165
C. i. f. Pacific coast.....	.4056	.165	.165

A comparison of domestic costs with import prices reveals a difference per gross of from 21 to 25 cents, depending on the locality. With a tariff duty of 15 cents per gross many companies have gone out of business during the past eight years. The importations amount to about 80,000 gross, and the exports about 1,000 gross.

The industry suggests a duty of 20 cents per gross. In this request only sufficient protection is asked that the manufacturers may not be further put out of business through foreign competition. The Senate Finance Committee granted this increase, but it was reduced by vote of the Senate to 10 cents per gross.

The foreign producer is preparing to take advantage of this proposed reduction, which, if allowed to remain in the bill when it becomes a law, will drive all our producers out of business. I am printing herewith a copy of a letter, written two days after the vote in the Senate, to a large distributor in New York City. This letter speaks for itself.

DANVILLE, QUEBEC, November 16, 1929.

GENTLEMEN: Since writing you the 14th, note that the Senate have reduced the tariff on spring clothespins to 10 cents per gross instead of 15 cents, as former.

We are now able to deliver in New York in bulk at 35 cents per gross net, all charges guaranteed, and in three dozen size cartons at 36 cents per gross net.

We guarantee our goods in every respect, and have steady customers handling our line exclusively for many years.

It would now seem to be the time to get a good volume of sales to our mutual benefit, and would be pleased to have your opinion; there will no doubt be importations of this line from Sweden with the lower tariff, so that if you care to take up our line we will send samples by return of mail, and get started before the foreign importations begin to get established.

Yours very truly,

C. J. BROWN & Co.,
C. J. BROWN.

WOODEN BRUSH HANDLES

A similar situation exists as to another woodworking business, the manufacture of wooden brush handles. A small business was started by the C. E. Bradley Corporation in a comparatively small town of my district, which gave employment to a limited number of people. It was expanded little by little, and then its production plant was moved to my home town. By close application to the problems of production and marketing a good business was built up, only to be met by a new economic condition created by ruinous foreign competition. This naturally changed the outlook and the actual working conditions.

Formerly a considerable portion of the production of handles was exported, but now not only the export market has been lost but the foreign producer has invaded the home market, with a competition that can be met only with the greatest difficulty. Germany has captured the market abroad for all round, turned, artist, lacquered, water color, and similar handles, because the American costs are from two to four times the costs in Germany. With money borrowed in this country the German manufacturers are equipping their mills so as to be able to produce in quantity and at a price that threatens the life of the business.

Importations have increased by leaps and bounds. In 1927, 30,231,576 paint, varnish, pencil, and other brushes, equipped with wooden handles, were imported, and the number has increased since the last figures were published.

The wages paid in the different countries show clearly why we are unable to compete successfully. The average hourly wages in American handle factories compared with those paid in foreign competing factories are here given:

	Men
American factories.....	\$0.55
Canadian factories.....	.44
German factories.....	.14
Japanese factories.....	.06
	Women
American factories.....	\$0.42
Canadian factories.....	.34
German factories.....	.10
Japanese factories.....	.04

Chain 5-and-10-cent stores are the greatest gainers from the present tariff adjustment. The ultimate consumer, the plain people, are paying exactly the same price as five years ago for a similar American-made handle. The selling price has not been reduced. These stores are buying the cheap foreign-made handles and brushes to the exclusion of the American product. The complete foreign-made brush may be purchased as low as \$1 per hundred, or 1 cent each, while it costs \$2 per hundred, or 2 cents each, to make the American brush. The chain stores could sell the American brush at the same price and have a margin of 60 per cent profit, but they use the foreign-made brush and make a profit of 400 per cent. They do not lower the price to the consumer by reason of purchases at the low price level but pocket a greater profit. So a low duty does not help the consumer in the least. It does keep out of employment thousands of American citizens who could, with adequate protection to the industry, be profitably employed.

There should be a specific duty of one-half a cent each per handle on all importations of wooden paint, pencil, and all varieties of handles and backs, and a further ad valorem duty of 33 1/3 per cent.

I am calling attention to these wood products because they present the tariff problems of industries in our small towns, industries necessary for their maintenance, a fact that should be kept in mind in all tariff adjustments. The same conditions set forth as to spring clothespins and brush handles apply to numerous other small woodworking industries in Vermont.

The small producer is the one that needs the attention of those framing our laws. The big producer will take care of himself.

HARRY A. ANDERSON

Mr. GRIFFIN. Mr. Speaker, I ask unanimous consent to address the House for five minutes in reference to the death of Harry A. Anderson, a martyr to science.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GRIFFIN. Mr. Speaker, yesterday there was interred in Arlington Cemetery the mortal remains of one who may be truly said to have given up his life for the benefit of humanity. He made the supreme sacrifice, not in the midst of stimulating alarms of war but in the silent laboratory—with no hope of praise or reward other than the consoling consciousness of toiling for his fellow men.

Who was this man with the heart of the soldier and the soul of the martyr? His name is Harry Anderson. He was a soldier, too, for he served in the World War, from which he came

unscathed only to meet his end as a humble laboratory assistant in the United States Public Health Service. This splendid bureau of our Government, which has done so much in the annals of medical discovery, up to this sacrifice of Anderson had already given up on the altar of science 12 other martyrs for the welfare of mankind.

His task—the task in which he died—was that of seeking the origin and cure of the so-called parrot disease—psittacosis—which has recently appeared and taken such a toll of human life.

He passes on to join a noble band, whose lives were dedicated to the cause of science.

He leaves behind him a bereaved wife and devoted son, upon whom this casualty in the warfare of science most heavily falls.

I hope it is not presumption to say that they have the profound sympathy of all true-hearted men and can feel that his noble example entitles him to the profound respect in which we shall ever hold his memory.

Requiescat in pace! [Applause.]

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GRIFFIN. In the Seventieth Congress I introduced H. R. 424, providing for a medal of honor and a monetary award to employees of the Federal Government for distinguished work in science. On May 8, 1928, on the hearing on that bill (H. R. 424; reintroduced in the 71st Cong. on December 13, 1928, as H. R. 7501), Dr. Arthur M. Stimson, Assistant Surgeon General, United States Public Health Service, submitted the following statement:

NOTABLE CONTRIBUTIONS TO MEDICINE AND PUBLIC HEALTH MADE BY
OFFICE OF UNITED STATES PUBLIC HEALTH SERVICE

This list must be taken as a series of illustrations or examples since it is impossible exactly to define the word "notable" in this connection and, since time may show that a number of discoveries not here included may prove to be of far-reaching importance.

Dr. Henry R. Carter. World-recognized authority on yellow fever and malaria. In 1900-01, by purely epidemiological studies demonstrated that yellow fever must be conveyed by an intermediate host, and measured with accuracy the periods of incubation in that host and in man, thus laying a solid scientific basis for the subsequent experimental verification. Entered service May 5, 1879. Died September 14, 1925.

Dr. Charles Wardell Stiles. Discovered the American species of hookworm, demonstrated its great prevalence, worked out its epidemiology, devised methods for the control of the disease, and inaugurated the successful campaign against it. Entered service August 16, 1902. May, 1902—Uncinaria Americana.

Drs. Milton J. Rosenau and John F. Anderson. Pioneers in the study of anaphylaxis, concerning which they contributed many of the fundamental facts. This phenomenon is of great importance in the modern conception of disease processes. Studies—1906-1909.

Drs. George W. McCoy and C. W. Chapin. Discovered and cultivated the bacillus tularensis, making methods available for its further study. 1910, in California ground squirrels.

Dr. Edward Francis. Contributed nearly all that is known concerning the disease tularemia in man. Showed its methods of transmission and what to do in order to avoid it. Nineteen hundred and nineteen (deer-fly fever) to present time.

Dr. R. R. Spencer. Worked out a vaccine against Rocky Mountain spotted fever. Demonstrated its efficacy in experimental animals, and its harmlessness by injecting himself first. Showed by use in hundreds of persons who are exposed by occupation that it confers a large measure of protection. The preparation of this vaccine involves a new principle of immunology. Vaccine used on humans, 1925.

Dr. Joseph Goldberger. Showed the dietary origin and cure of pellagra. This is a most notable achievement since this disease has baffled the best European talent for centuries. At times it has threatened to become seriously prevalent in the United States, but with this new knowledge the threat has been permanently removed. Study of pellagra begun in 1912 and is going on at the present time.

Dr. Wade H. Frost. Planned and conducted the first thoroughgoing and fundamental investigation of the problems offered by the pollution of streams in this country. In view of the increase of populations and manufactures along our streams this has been a most valuable activity. Investigation of the pollution of the Ohio River began under his direction July, 1913.

Dr. John McMullen. Demonstrated the practicability of virtually eradicating trachoma and preventing blindness therefrom in mountainous areas of Kentucky and other States, by the establishment of small hospitals and the employment of skillful treatment. Assigned to duty on trachoma work July 1, 1912; relieved, June, 1923.

Bacteriologist Alice Evans. In 1918 she showed similarity of causes of Malta fever and contagious abortion and occurrences of latter infection in people. Now increasingly recognized as a cause of human illness.

Dr. Victor Heiser, chief quarantine officer, Philippines, 1903-1915. Demonstrated the possibility of establishing effective health service in a large tropical country with diverse aboriginal population.

Dr. M. A. Barber. Originated single-cell culture method which he first used in 1902. In 1904 it was published and more fully in 1907. This opened up a prolific field of investigation. The use of Paris green control of mosquitoes in 1921. This cheap method has made malaria control feasible in many areas where it was formerly impossible because of the expense.

Officers and other employees of the United States Public Health Service who have been disabled or have lost their lives as a direct result of exposure to disease in line of duty. Simple cases of infection with uneventful recovery are not included.

Martyrs of science in Public Health Service

Name	Disease	Result
Asst. Surg. Roswell Waldo.....	Yellow fever.....	Died 1878.
Asst. Surg. W. C. W. Glazier.....	do.....	Died 1880.
Asst. Surg. J. F. Groenveldt.....	do.....	Died 1891.
Asst. Surg. J. W. Branham.....	do.....	Died 1893.
Asst. Surg. W. R. McAdam.....	do.....	Died 1899.
Passed Asst. Surg. W. M. Wightman.....	do.....	Died 1909.
Passed Asst. Surg. T. F. Richardson.....	Typhoid fever.....	Died 1906.
Asst. Surg. W. W. Miller.....	do.....	Died 1908.
Passed Asst. Surg. T. B. McClintic.....	Rocky Mountain spotted fever.....	Died 1912.
Laboratory Asst. W. E. Gettinger.....	do.....	Died 1922.
Field Asst. G. H. Cowan.....	do.....	Died 1921.
Bacteriologist L. A. Kerlee.....	do.....	Died 1928.
Harry Anderson.....	Psittacosis.....	Died Feb. 7, 1930.
Surg. G. C. Lake.....	Malta fever.....	Still partly disabled after several years.
Bacteriologist Alice Evans.....	do.....	Still much disabled after several years.

I wish to add that I have to-day reintroduced the medal of honor bill, with a new clause permitting the posthumous award of such medals and annuities.

APPROPRIATION FOR STUDY OF POLICIES OF UNITED STATES IN HAITI

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 247.

The Clerk read as follows:

House Joint Resolution 247

Joint resolution making an appropriation to carry out the provisions of the public resolution entitled "Joint resolution providing for a study and review of the policies of the United States in Haiti," approved February 6, 1930

Resolved, etc., That the sum of \$50,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1931, for the expenses which may be incurred by the President in making an investigation by such means as he may determine of the conditions in, and a study of, the policies of the United States relating to Haiti, including compensation of employees, travel and subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), stenographic or other services by contract, if deemed necessary, without regard to provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), rent of offices and rooms in the District of Columbia and elsewhere, purchase of necessary books and documents, printing and binding, official cards, rental, operation, and maintenance of motor-propelled passenger-carrying vehicles, and such other expenses as the President may deem proper.

The SPEAKER. Is there objection?

Mr. GARNER. If I understand correctly, this is a unanimous report from the Committee on Appropriations?

Mr. WOOD. It is.

Mr. GARNER. And that the time is too short for it to be considered in the general deficiency bill, and therefore it is necessary to pass this resolution?

Mr. WOOD. That is true; the commission will be appointed the last of this week or the first of next week.

Mr. SNELL. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. SNELL. It seems to me this is practically a duplicate of the resolution we passed before.

Mr. WOOD. No; no resolution was passed for an appropriation, that was for the authorization of the appropriation and the appointment of the committee.

Mr. SNELL. Would not that carry the authorization for an appropriation?

Mr. TILSON. It would carry the authorization, but this is an appropriation.

Mr. SNELL. I supposed all that was necessary would be to put it in an appropriation bill.

Mr. TILSON. But there is no deficiency appropriation bill pending.

Mr. WOOD. The deficiency bill will not be considered in time.

Mr. SNELL. You are simply appropriating the money heretofore authorized in the former resolution?

Mr. WOOD. Yes. Mr. Speaker, I offer the following amendment:

The Clerk read as follows:

Page 2, after the word "proper," in line 10, insert the following: "including obligations incurred subsequently to February 7, 1930."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion by Mr. WOOD to reconsider the vote was laid on the table.

REDEMPTION OF FEDERAL RESERVE AND NATIONAL-BANK CURRENCY

Mr. WOOD. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 245, making an additional appropriation for personal services in the office of the Treasurer of the United States for the fiscal year ending June 30, 1930, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, etc., That the sum of \$179,175 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1930, for personal services in the office of the Treasurer of the United States in redeeming Federal-reserve and national-bank currency, such amount to be reimbursed by the Federal reserve and national banks.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. WOOD. Yes.

Mr. GARNER. If I understand it, this appropriation is made in view of the fact that sufficient moneys have not been collected from the Federal reserve system and the national banks to meet this particular deficiency?

Mr. WOOD. That is correct.

Mr. GARNER. Is it expected that there will be sufficient money collected in the future to reimburse this appropriation?

Mr. WOOD. Absolutely. This entire sum is reimbursable from the banks. This item was requested by an estimate sent up from the Budget Bureau during the special session, but there was no deficiency bill presented at that time, and we did not think it important enough to present this as an extra bill, because we ascertained that they would have money sufficient to meet their demands up to and including the 15th day of this month. After that time they will have none. We have had hearings before the subcommittee having in charge the general deficiency appropriation bill on this item, and it has been approved by the committee; but in order that it may be available before it is possible to pass the deficiency appropriation bill, we have transferred it into this special request.

Mr. GARNER. Is there any law on the statute books compelling the Federal reserve system and the national banks to contribute sufficient to make this reimbursement?

Mr. WOOD. Yes. They have to contribute it all. This is all for the redemption of currency.

Mr. GARNER. Who is authorized to compel the contribution by the Federal reserve system and the national banks?

Mr. WOOD. The Treasurer of the United States.

Mr. GARNER. Suppose he neglected to compel the contribution?

Mr. WOOD. I imagine that the Treasurer of the United States has ample power in the exercise of his duties and in the administration of his office, because of the fact that he has a check on the Federal reserve system at all times, as he has on all of the national banks.

Mr. GARNER. I am assuming that he has that power, as the gentleman from Indiana suggests, but is it correct to assume that he is going to exercise it and compel the Federal reserve system and the national banks to contribute sufficient money to take care of these expenditures?

Mr. WOOD. I think it is entirely correct to assume that the Treasurer of the United States will do his entire duty; and if he does, he will make these banks contribute whatever expense is necessary for this redemption.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the joint resolution was passed was laid on the table.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. WASON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9546) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1931, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9546, with Mr. DOWELL in the chair. The Clerk read the title of the bill.

Mr. WASON. Mr. Chairman, I yield 20 minutes to the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Chairman and gentlemen, the independent offices appropriation bill is the second largest appropriation bill considered and passed by the Congress of the United States, and probably the second largest appropriation bill handled by any legislative body in the world. I think it is the most interesting appropriation bill that ever comes before the Congress, and is probably the least understood of any of these bills. It covers the activities of 30 separate commissions, bureaus, and boards that perform specific work of the Federal Government as authorized by Congress, none of which is under the supervision of a Cabinet officer. Our Appropriations Committee of five members, after careful consideration, presents this bill that carries \$552,172,213. Of that grand total the Veterans' Bureau requires \$511,225,000, leaving for the other 29 activities a total of \$40,947,213.

At this point I call attention to an address a few months ago by General Harbord, a great soldier, with a fine war record. But for some unknown reason he gave the American public the impression that the money expended by these various commissions was a needless tax on the Treasury of the United States. General Harbord indicated that Congress was wasting the peoples' money by creating commissions and gave the impression that they are created to give jobs and to find an outlet for the surplus in the Treasury. I am wondering if General Harbord and those who thoughtlessly took up his refrain and certain political stump speakers would want to abolish the Veterans' Bureau, although it absorbs 92 per cent of the entire amount carried in this bill? The work of the Veterans' Bureau is too important to the 4,000,000 veterans and especially to the disabled World War veterans to think for one minute of submerging it in some other department. In any event, its expenditures would necessarily be the same. So, here is one of the bureaus or commissions that I think not even the gallant general or political barnstormers would want abolished, and yet it consumes 92 per cent of the total sum involved.

For the purpose of giving a little better understanding of the various bureaus and commissions that are taken care of in this appropriation bill, I am asking your indulgence while I call attention briefly to these 30 activities and the amounts of money that are appropriated therefor.

EXECUTIVE OFFICE, MANSION, AND GROUNDS

The appropriation for the Executive Office carries \$422,320, including the President's salary. This is a total decrease of \$24,900 as compared with the appropriation for the fiscal year 1930, which was \$47,220. Does the general want this office abolished?

AMERICAN BATTLE MONUMENTS COMMISSION, \$1,000,000

This bill, in its application, as you will see, will jump from one part of the world to another. We next go to the American Battle Monuments Commission, created by act of Congress a few years ago, for the purpose of erecting suitable monuments and memorial chapels on or near the military cemeteries of France, Belgium, and England, and for that object we are carrying this year a million dollars. Certainly no one would eliminate this commission.

I have said before, and I repeat, that I think it is rather unfortunate that the great majority of war mothers and widows are going over this year instead of waiting until later. Only one or two of these monuments or memorials will be completed this year. The others will be in course of construction. Then a few months will be required to beautify the grounds. I believe a better impression and more pleasing memory would be treasured if these war mothers and widows were to wait for another year before they make their visit to the graves of their dear ones.

On December 2 General Pershing, chairman of the commission, furnished your committee the following information:

The commission's memorial project, as previously submitted to Congress, includes the following:

(a) The erection of a memorial chapel in each of the American cemeteries in Europe and the construction of masonry walls at the cemeteries where needed. The names of these cemeteries and their locations are as follows:

Meuse-Argonne American Cemetery, near Romagne, France.
St. Mihiel American Cemetery, near Thiaucourt, France.
Oise-Aisne American Cemetery, near Fere-en-Tardenois, France.
Aisne-Marne American Cemetery, near Belleau, France.
Somme American Cemetery, near Bony, France.
Flanders Field American Cemetery, near Waereghem, Belgium.
Suresnes American Cemetery, at Suresnes (near Paris), France.
Brookwood American Cemetery, at Brookwood, England.

(b) The development of landscaping features in each of the above cemeteries.

(c) The erection of 15 memorials at the following places outside of the cemeteries:

Montfaucon, France; Montsec, France; near Chateau-Thierry, France; Brest, France; London, England; Tours, France; Rome, Italy; near Bellicourt, France; on Blanc Mont Ridge, in the Champagne region, France; Audenarde, Belgium; near Ypres, Belgium; Cantigny, France; Gibraltar; Corfu, Greece; Ponta Delgada, Azores Islands.

(d) The placing of two bronze memorial tablets, one at Chaumont, France, and the other at Souilly, France, to mark, respectively, the headquarters of the American Expeditionary Forces and of the American First Army during the World War.

The estimated cost of these memorials is \$4,500,000, and Congress has authorized the commission to incur obligations of that amount for building materials and supplies and for construction work.

The status of work on the commission's construction project at this time is as follows:

The site for each of our memorials has been selected and all but 3 have been obtained; designs for 19 of the memorials (including all 8 of the chapels) have been approved, and working drawings for 18 of them have been completed and sent to Europe; bids for the construction of 17 of the memorials have been received and contracts have been entered into for the construction of 16 of them; and actual construction work is under way on 14 of the memorials.

The memorials that are under construction and the amount of progress made on them are as follows: Montfaucon monument, one-tenth completed; Montsec monument, one-fifth completed; Chateau-Thierry monument, three-fifths completed; Romagne chapel, three-tenths completed; Fere-en-Tardenois chapel, seven-tenths completed; Thiaucourt chapel, one-fifth completed; Belleau chapel, one-half completed; Suresnes chapel, two-fifths completed; Bony chapel, three-tenths completed; Brookwood chapel, over nine-tenths completed; Waereghem chapel, three-fifths completed; Bellicourt monument, two-fifths completed; Audenarde monument, over nine-tenths completed; Ypres monument, nine-tenths completed.

This bill carries \$1,000,000 to continue the work of the commission.

PROBABLE DATE OF COMPLETION OF MEMORIALS AND CHAPELS

The latest data we have concerning dates for the completion of these various chapels and memorials are as follows:

The chapel at Brookwood, England, as I stated a short time ago, is now completed, except for inscribing in it the names of men lost or buried in European waters. It is expected that the other chapels will be completed as follows:

Name of cemetery	Location	Probable date of completion of chapel
Oise-Aisne.....	Near Fere-en-Tardenois, France..	October, 1930.
Aisne-Marne.....	Near Belleau, France.....	Do.
Flanders Field.....	Near Waereghem, Belgium.....	Do.
Somme.....	Near Bony, France.....	June, 1931.
St. Mihiel.....	Near Thiaucourt, France.....	Do.
Suresnes.....	Near Paris, France.....	Do.
Meuse-Argonne.....	Near Romagne, France.....	Do.

As previously mentioned, it will generally require about six months after a particular chapel is completed before all of the commission's work in that cemetery is finished, such as walls, landscape gardening, paths, clearing, and so forth, so that six months should be added to the above dates in order to arrive at the time when the cemeteries will be at their best.

As to the monuments being erected by the commission outside of the cemeteries, the following may be said:

Two of the smaller monuments—one located near Audenarde, Belgium, and the other south of Ypres—will be completed before May of this year.

By October of this year it is expected that the large monument near Chateau-Thierry, France, and the smaller one near Bellicourt, France, will have been completed.

By June, 1931, it is expected that the large monument on Montsec, France, and the smaller one on Blanc Mont Ridge near Somme-Py, France, will have been completed.

By March, 1932, it is hoped that all of the memorials, including the largest one, at Montfaucon, will have been finished.

ARLINGTON MEMORIAL BRIDGE COMMISSION, \$1,000,000 PROPOSED OPERATIONS FOR FISCAL YEAR 1931

During this fiscal year it is expected that all contracts previously entered into will be completed, except those for the sculptural groups at the entrance to the bridge and the Rock Creek and Potomac Parkway and the Lee Highway Bridge, which will not be completed until the following year.

Contracts will be made for constructing the foundations for the Columbia Island plaza, which will be completed during the fiscal year, and for furnishing and delivering the granite for this plaza, which will be approximately 50 per cent completed by the end of the fiscal year.

A beginning will be made on the widening of B Street, the first section to be widened being that adjacent to the new Commerce and Internal Revenue Buildings.

An authorized expenditure of \$14,750,000 was made by Congress. Colonel Grant informs the committee that the work will be completed within the authorization and that construction is fully up to time schedule. The bridge will be in use by 1932, but the entire project will not be completed until some years later.

BOARD OF MEDIATION, \$328,380

The Board of Mediation will have an appropriation of \$328,380. As you will recall, we created this board by act of Congress a few years ago. It certainly was a unique undertaking. There is nothing like it elsewhere in the world. Many of us at the outset questioned what they would accomplish. They have no authority to compel anybody to do anything. It is purely a matter of cooperation, which they try to secure between railroad employees and the employers. They are good friends of both groups. They reveal nothing that they learn from one group to the other, but they are, as the chairman of the board said, the "father confessor of both sides." They get a little concession from one group and a little concession from the other group, and they confer back and forth until they finally bring the groups together and enter into a stipulation to lay aside their differences and continue without a strike. They show remarkable results in this work.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield there?

Mr. SUMMERS of Washington. Certainly.

Mr. WOODRUFF. Would the gentleman inform the committee just what success the board has had in settling up disputes between the owners and employees of the railroads?

Mr. SUMMERS of Washington. That the House may better understand this new activity, I quote from our hearings:

FUNCTION OF BOARD

Mr. WINSLOW. The really interesting feature of this law for which Congress deserves the credit, and not our board, rests in the fact that we have no power to order anything. If we have not enough intelligence and ability to propose to all parties in interest something which appeals to them and on which they will voluntarily come to some agreement, we can play no part at all.

Mr. WASON. The real function of your board is peacemaker between the carriers and the employees.

Mr. WINSLOW. In the beginning—we shall answer you directly, as I think you would like to have us—we felt that we had the obligation of peacemaker as one of our responsibilities. Very happily, since the railway labor act has been more and more in operation, such is no longer a leading controlling consideration, as employees and carriers are now in for peace. All we have to do, as we see it, is to help the parties work out their problems. There is a very great advance in the morale of railway industrial relations. No longer is there any hostile talk or acrimonious expression, save as there may be between any two people who are discussing earnestly.

In fact, we think that not only now on all sides are the parties interested in having everything peaceful, but they are approaching a state—not the millennium by any means—of a practical working desire for harmony as well as peace.

Mr. SUMMERS. You have noticed a decided change in the attitude of both parties during the short life of this Mediation Board?

Mr. WINSLOW. Yes. We have noticed it in a very decided way; in the beginning, as a hangover from previous days, there was a good deal of rigidity, active in its manifestations, when we would undertake to mediate differences. At the outset it took quite a time to get the parties in interest in a state of mind to tackle their problems. We

had to work it around to get them to feeling reasonably secure. Such necessity has virtually disappeared. Now, after making polite inquiries of one another as to their health, and so forth, they go right to business. Table pounding and that sort of thing has disappeared entirely in three years and a half.

Mr. WASON. In other words, the carriers and the employees and the public, if anybody appears or attempts to appear to represent the public, approach your board with friendly feeling and confidence?

Mr. WINSLOW. Yes; all of that. We will say to the committee that perhaps the greatest compliment which has come to the board is evidenced by the fact that it is not infrequent that a representative executive of some carrier or an official representative of some craft organization comes in to talk over with us some contemplated or possible movement on their part in advance of entering upon it in order to see, if possible, where it may lead them. While we are not organized by law to advise anybody, and do not—we refrain from it—we do not hesitate if they come in such spirit to tell them what, in our judgment, would seem to be an unwise consideration or a wise one.

The number of those so coming to us has increased right along. We believe that a great many unwise situations, which might have been likely, have never come into being for the reason that the interested parties have come around and learned of whatever experience we have had, and so have come to realize that some contemplated action would be unwise.

Mr. SUMMERS. They came to you as counselors.

Mr. WASON. Advisers?

Mr. WINSLOW. More than that, they have come to us as to a father confessor. We have believed that the intent of Congress was clear that we should, of course, do everything in accordance with the law; and furthermore, based on the representation of the proponents of the bill before the two Houses of Congress and by the expressions of Congress, that it is our duty to do anything else we can to bring about a concurrence in the spirit of the law and in the letter.

Thus far we have seen no difficulty growing out of such a method, but on the contrary we have had frequent cases where some man, well intending and wanting to do the right thing, has come into our headquarters with one thought in mind and gone out with quite a different one because he has come to learn of experience we have had.

Mr. SUMMERS. Do any other countries have similar boards?

Mr. WINSLOW. So far as we have been able to find out, there never has been a board like this nor an effort like this in the world until now.

Mr. SUMMERS. This certainly has been a noble experiment.

Mr. WINSLOW. Yes.

THE WORK OF THE BOARD

Of the 428 cases involving rates of pay, rules, and working conditions submitted to our board, 385 had been disposed of by June 30, 1929; 129 of these were acted upon during the fiscal year covered by this report. Of these 129 cases, 46 were settled through mediation, 10 were submitted to arbitration, 37 were withdrawn through mediation, 6 were withdrawn without mediation consideration, and 30 were closed by action of the board. At the end of the year 9 out of the 10 cases submitted to arbitration had been concluded. (Details regarding settlements appear in tabular form hereafter.) At the end of the year 43 of the total of 428 cases received remained unsettled. Of this number 41 had been assigned for mediation and 2 had not been so assigned.

During the fiscal year ended June 30, 1929, the board received 37 applications for its services in the adjustment of grievances which had not been decided by the appropriate adjustment board by which they had been considered. This made a total of 69 such cases received by the board since its creation.

Of the 69 grievance cases herein referred to as having been submitted to our board 45 had been disposed of during the year covered by this report. Of the remaining cases before the board 19 had been assigned for mediation and 6 remained unassigned.

Mr. WOODRUFF. That is quite a splendid result and one of much value, justifying the creation of the Board of Mediation.

Mr. SUMMERS of Washington. Yes. The board has been successful beyond the fondest hopes and anticipations, even, of those who proposed the legislation. The chairman of the board is our genial former colleague from Massachusetts, Mr. Winslow, who seems to be making a wonderful record, as I tell him, as Henry Clay the Second. I dare say no one wants to eliminate this board.

The Board of Tax Appeals concerns many people throughout the United States.

BOARD OF TAX APPEALS, \$640,000

This board gives a rather hopeful report. The scope of their duties may be gained from these statements:

Since June of 1928 they have closed monthly more cases than they have docketed.

During the fiscal year ended June 30, 1928, the board docketed 10,165 cases, involving \$270,548,266.83, or an average of \$26,615.86 per case. During the succeeding fiscal year (1929), the board docketed 5,458 cases, involving \$187,072,564.39, or an average of \$34,274.93 per case. It will be noted by these figures

that while the total number of docketed cases is reduced, the average deficiencies involved in each case increased over \$8,000.

In 1929 the board closed approximately 2,000 more cases than it did in 1928.

December, 1928, the board had on hand as of December 1, 1928, a total of 20,241 cases. By November 1, 1929, this number had been reduced to 17,124, showing a decrease of over 3,000 cases. Based on this performance, the board knows of no reason why it should not be almost current in its work within the next two or three years.

Lately, they have been making a determined effort to close all of the cases involving the taxable year 1917. They have reduced the number of pending cases of this character to 583, of which 551 are awaiting hearing; 23 are submitted and before the various members for the writing of an opinion, and 9 have been decided and are awaiting the filing of a computation of the tax, based on the board's opinion to the end that final decision may be entered. The total of the deficiencies claimed in this group is \$77,332,005.88.

That statement of itself emphasizes the work of the board and shows they are rapidly closing the gap. Nothing annoys the American taxpayer more than, years after he has made his settlement, to again have to make a settlement with the Federal Government. It creates much criticism.

We are dealing in large sums, and we are called upon every year to make refunds on the collection of income taxes and corporation taxes; but another statement that should go along with this is that for every \$1 we are refunding by these various shiftings of old tax reports we are retaining in the Treasury about \$3; in other words, out of every \$4 we collect about \$1 collected in earlier times is having to be remitted and the case finally disposed of.

Mr. WOODRUFF. Before the gentleman leaves the tax matter, will he yield for a further question?

Mr. SUMMERS of Washington. I will be glad to yield to my colleague.

Mr. WOODRUFF. I am wondering if the gentleman can give the committee the comparative amounts of back taxes collected as compared with those now refunded? In other words, whether or not the Treasury is receiving more money in back taxes than it is now refunding to taxpayers who have in the past overpaid their taxes.

Mr. SUMMERS of Washington. Perhaps I did not make myself quite clear. I just stated that, out of every \$4 collected, about \$1 is having to be refunded; but I suppose the gentleman is referring to the present year?

Mr. WOODRUFF. Yes.

Mr. SUMMERS of Washington. Well, naturally, the board is dealing with old cases, and it is not dealing with present-day cases.

Mr. WOODRUFF. The thing which prompted the question was a desire upon my part to learn, if possible, how much money is now being collected in back taxes from taxpayers who in the past have not paid all the taxes they should have paid as compared with the amount that is now refunded taxpayers who in the past have paid more than they should have paid.

Mr. SUMMERS of Washington. In other words, if we were to wipe off everything, would the Treasury be better off or worse off?

Mr. WOODRUFF. Exactly.

Mr. SUMMERS of Washington. As a matter of equity, that would not be a satisfactory way of settling the controversies.

Mr. WOODRUFF. And I have no idea that it will be resorted to.

Mr. SUMMERS of Washington. Certainly not.

Mr. WOODRUFF. But I am wondering, as I said before, just how the Treasury is coming out in its correction of the books, because that is what this amounts to, a correction of their past and present records pertaining to taxes paid by the taxpayers of the country.

Mr. SUMMERS of Washington. From July 1, 1917, to December 31, 1929, in contested cases a total of \$5,187,278,986 was collected and \$1,173,103,770.58 was refunded. The refunds amounted to about 23 per cent of the collections in contested cases.

During the same period a grand total of \$42,495,677,373.32 was collected in uncontested and contested cases, and the refunds amounted to about 2.8 per cent of this grand total.

During the past five and a half years interest collected amounted to \$181,973,950.60; interest paid amounted to \$174,719,636.03.

Here is the specific information sought by the gentleman from Michigan: In contested cases there was collected during the fiscal year ending June 30, 1929, the sum of \$405,855,476. During the same period refunds amounted to \$190,164,359.48.

Again I inquire, is this the board General Harbord would eliminate?

BUREAU OF EFFICIENCY, \$224,000

Upon their own initiative, or at the request of the various agencies of the Government, the Bureau of Efficiency undertakes to point out savings that can be made or where better business practices can be followed.

Probably many millions of dollars are saved to the Treasury as a result of the bureau's activities. To illustrate, I cite one of the many projects undertaken: The bureau cooperated actively with the Treasury Department in promoting the small-sized paper money. They estimate an annual saving of \$1,719,160, as a result of this change. The substitution of special paper for rag wipers to remove surplus ink from presses results in an annual saving of \$166,802.27; a saving of \$469,325 for ink also results.

WORK DONE BY BUREAU THAT DOES NOT NECESSARILY REFLECT A SAVING

The work of the Bureau of Efficiency is not always necessarily reflected in a saving of dollars and cents. The Bureau of Engraving and Printing was using a type of paper and a method of perforation which caused annoyance to every stamp clerk in the United States and to practically every individual in the United States, because the stamps would tear through instead of tearing down the perforation. However, the bureau steadily maintained that there was no difficulty about it. I took the matter up with the Bureau of Efficiency at several different times over a period of about two years. They labored with the Bureau of Engraving and Printing until they prevailed upon them to make their perforations differently and, I think, to use a different kind of paper. Now, it is only an occasional thing when a stamp tears through, whereas formerly it was the usual thing. The postal clerks who had to separate large sheets of stamps were greatly annoyed, especially when handling stamps of high denominations. That difficulty was worked out at the request of the Bureau of Efficiency, and while there is no dollars and cents saving involved, there is involved a great satisfaction to the users of stamps all over the United States, and especially to every stamp clerk in every post office. I simply cite that as an illustration of work that they may do which is approved by the public but which still involves no savings, so far as dollars and cents are concerned.

CIVIL SERVICE COMMISSION, \$1,362,952

I am here going to insert two or three tables that will not only reveal the scope of the Civil Service Commission's labors but will also show the number of civil employees in all Federal activities.

Number of officers and employees in each branch of the Federal executive civil service on June 30, 1929, with totals for November 11, 1918 (armistice date), and later dates comprising classified and unclassified (which includes presidential) positions¹

Department or office	June 30, 1929						Total
	In District of Columbia			Outside District of Columbia			
	Men	Women	Total	Men	Women	Total	
The White House	38	5	43				43
State	323	338	661	2,888	1,068	3,956	4,617
Treasury	5,918	8,380	14,298	31,915	6,881	38,796	53,094
War	2,424	1,746	4,170	39,084	4,013	43,097	47,267
Justice	581	251	832	2,375	977	3,352	4,184
Post Office	3,203	879	4,082	283,681	27,032	310,713	314,795
Navy	6,043	1,170	7,213	40,988	2,374	43,362	50,575
Interior	2,284	1,278	3,562	10,694	2,316	13,010	16,572
Agriculture	2,962	2,097	5,059	16,261	2,675	18,936	23,995
Commerce	3,151	1,913	5,064	10,809	871	11,680	16,744
Labor	357	361	718	3,132	700	3,832	4,550
Government Printing Office	3,310	877	4,187				4,187
Smithsonian Institution	416	148	564				564
Interstate Commerce Commission	1,071	339	1,410	616	16	632	2,042
Civil Service Commission	137	238	375	135	73	208	583
Bureau of Efficiency	43	16	59				59
Federal Trade Commission	262	118	380				380
Shipping Board	435	313	748	508	152	660	1,408
Alien Property Custodian	95	89	184				184
Tariff Commission	132	86	218	9	2	11	229

¹ Does not include legislative or judicial services, nor the commissioned, warranted, or enlisted personnel of the military, naval, Marine Corps, or Coast Guard services, nor the government of the District of Columbia.

² Approximated.

³ Includes 13,200 clerks at third-class offices, 203 screen-wagon contractors, 239 carriers for offices having special supply, 5,824 clerks in charge of contract stations, 11,695 star-route contractors, and 280 steamboat contractors. Does not include 33,856 clerks at fourth-class offices who are employed and paid by the postmaster, and 22,338 mail messengers not included in previous computations.

⁴ Includes administrative office of Emergency Fleet Corporation, but not workmen at shipyards or in warehouses or employees on vessels.

Number of officers and employees in each branch of the Federal executive civil service on June 30, 1929, etc.—Continued

Department or office	June 30, 1929						Total
	In District of Columbia			Outside District of Columbia			
	Men	Women	Total	Men	Women	Total	
Employees' Compensation Commission.....	38	78	116	22	39	61	177
Federal Board for Vocational Education.....	33	37	70				70
Panama Canal.....	62	14	76	11,453	568	12,021	12,097
Public Buildings and Public Parks of the National Capital.....	1,897	528	2,425				2,425
General Accounting Office.....	1,202	759	1,961				1,961
Veterans' Bureau.....	1,564	3,307	4,871	12,115	7,079	19,194	24,065
Railroad Administration ¹	15	6	21				21
Commission of Fine Arts.....	2		2				2
War Finance Corporation ²	11	3	14	2	2	4	18
National Advisory Committee for Aero- nautics.....	17	18	35	175	9	184	219
Federal Reserve Board ³	88	88	176	19		19	195
Board of Tax Appeals.....	65	85	150				150
Board of Mediation.....	21	10	31				31
Federal Power Com- mission.....	18	11	29	1		1	30
Federal Radio Com- mission.....	34	58	92				92
American Battle Mon- uments Commission.....	6	2	8	24	8	32	40
Total.....	38,258	25,646	63,904	466,906	56,855	523,761	587,665

¹ Positions not subject to the civil service act.

War expansion and reduction since armistice

Date	In District of Columbia	Outside District of Columbia	Total
June 30, 1916.....	39,442	398,615	438,057
Nov. 11, 1918.....	117,760	1,800,000	1,917,760
July 31, 1920.....	90,559	1,600,557	1,691,116
July 31, 1921.....	78,865	518,617	597,482
June 30, 1922.....	69,980	490,883	560,863
June 30, 1923.....	66,290	482,241	548,531
June 30, 1924.....	64,120	490,866	554,986
June 30, 1925.....	63,756	500,962	564,718
June 30, 1926.....	60,811	499,894	560,705
June 30, 1927.....	59,800	499,338	559,138
Dec. 31, 1927.....	60,660	493,515	554,175
June 30, 1928.....	61,388	507,327	568,715
Dec. 31, 1928.....	62,140	510,967	573,107
June 30, 1929.....	63,904	523,761	587,665

¹ Approximated.

The commission conducts nearly 1,000 different kinds of examinations and examines more than a quarter million applicants annually in order to find qualified men and women to fill all necessary positions in the Federal Government.

Does General Harbord want to abolish the Civil Service Commission?

It is easy enough for heads of great corporations, for candidates for public office, and even for Members of Congress to generalize, but I want them to place a finger on the specific organization they want eliminated.

COMMISSION OF FINE ARTS, \$9,080

During the fiscal year 1929 much time was devoted by the Commission of Fine Arts to the public-building program. This work is shown in detail in the eleventh report of the Commission of Fine Arts. The commission have also given particular attention to the Arlington Memorial Bridge, which is nearing completion; to World War memorials in Europe; and to projects pertaining to the approaching George Washington bicentennial celebration in 1932, such as the Mount Vernon Highway and Wakefield; also to the George Rogers Clark memorial. Also there have come before the commission the municipal civic center; the plans for the Union Station Plaza and enlargement of the Capitol Grounds, the United States Supreme Court Building, the House of Representatives new office building; the Mall plan; and the restoration of the Arlington Mansion.

PLANS AND PROJECTS BEFORE COMMISSION

During the past year the commission has considered nearly 100 plans and projects, ranging from public buildings and war memorials down to medal designs.

MEMBERSHIP OF THE COMMISSION

The membership of the commission now consists of:

Abram Garfield, architect; Benjamin W. Morris, architect; Ferruccio Vitale, landscape architect; Ezra Winter, painter; John W. Cross, architect; Adolph A. Weinman, sculptor; Charles Moore, chairman.

The members are appointed by the President. They serve without compensation. The artist members are drawn from the representative men of their several professions—men of high training, broad experience, and successful achievement, and all devoted to the progressive development of the National Capital along the lines established by Washington and Jefferson.

This splendid commission renders invaluable service without pay.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. WASON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. SUMMERS of Washington. I think you will find it very interesting, if you care for this sort of thing at all, to look into the hearings and see the scope of the work they are doing.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. JOHNSON of Texas. Did I understand the gentleman to say with reference to the Board of Tax Appeals that since June of last year the board had turned off a great many decisions and had expedited a number of cases?

Mr. SUMMERS of Washington. They have closed the gap to a considerable extent.

Mr. JOHNSON of Texas. At that time I would suggest to my friend, our former colleague, the Hon. Eugene Black, became a member of the board, and I am sure has had something to do with this record.

Mr. SUMMERS of Washington. Our former colleague, Mr. Black, is a very efficient, hard-working member and is entitled to his part of the credit; but a difference in the manner of conducting the cases has perhaps had much to do with the progress made, and that is, instead of the members sitting en banc, or with three members constituting a division, a single member now will conduct the hearings and then make his report. In this way they are expediting the work.

EMPLOYEES' COMPENSATION COMMISSION, \$4,210,000

The function of the commission is the administration of the three workmen's compensation laws, one of which relates to the civil employees of the Federal Government, and the others to employees in private employment.

The law relating to civil employees is the one passed in 1916, and it covers all of the civil employees of the Government. Practically 600,000 employees are covered by that law. All of the administrative work is performed in the Washington office of the commission, with the exception, of course, of the investigations in the field. The commission under this act has the authority to decide all questions, and all the expenses of the administration and the cost of the compensation benefits are paid from Federal funds.

During the year ending December 31, 1929, 25,690 injuries were reported under this law, the highest number in the history of this commission except for the two years following the World War; 9,337 claims were filed. There were 3,533 open injury cases carried on the docket on that date, in which compensation was being paid or which were pending adjustment. Compensation was being paid to the beneficiaries of deceased employees in 2,074 fatal cases on that date, and there were 155 fatal cases pending upon which final action had not been taken.

LONGSHOREMEN'S ACT

One of the laws relating to employees in private employment—the act of March 4, 1927—provides compensation for a large class of employees, principally longshoremen and ship repairmen, for personal injuries sustained in the course of employment upon the navigable waters of the United States. It is estimated that approximately 10,000 employers and between 300,000 and 400,000 employees scattered throughout the United States, including Hawaii and Alaska, are subject to the provisions of this law.

The cost of administration is paid from Federal funds but compensation benefits are paid from the funds of the employer or an insurance carrier selected by him from a list approved by the commission.

During the year ending June 30, 1929, there were 38,052 injuries reported under this law, and on November 30, 1929, there were 3,926 nonfatal and 291 fatal cases carried on the docket on which compensation was being paid or awaiting adjustment. On December 31, 1929, there were 363 employers who had qualified as self-insurers and carried their own risk, and 196 insurance companies were authorized by the commission to write insurance.

COMPENSATION FOR EMPLOYEES IN PRIVATE INDUSTRY, DISTRICT OF COLUMBIA

The third act which the commission administers is the act approved May 17, 1928, which provides compensation for employees in private industry in the District of Columbia who sustain personal injuries in the course of their employment. It is on a line with the State acts. There are only four States in our Union that do not have compensation laws.

The cost of administration is paid from funds included in the appropriation for the District of Columbia and transferred to this commission for expenditure. Compensation benefits are paid from funds of the employer or an authorized insurance carrier.

Fourteen thousand two hundred and ninety-five injuries were reported under this law during the year ending June 30, 1929, which was the first year the law was operative; 1,273 open cases, including 61 fatal cases, were pending adjustment or being paid compensation on November 30, 1929. Sixty-six insurance companies are authorized to write insurance, and 69 employers have qualified as self-insurers.

FEDERAL BOARD FOR VOCATIONAL EDUCATION, \$1,053,400

This board consists of 7 members, 4 ex officio and 3 appointed by the President. They are the Secretary of Labor, the Secretary of Commerce, the Secretary of Agriculture, the Commissioner of Education, and three citizens who represent, respectively, the manufacturing and commercial, the agricultural, and the labor interests of the Nation.

The vocational education act of 1917 provides funds for the specific purpose of cooperating with the States in the promotion of agricultural education; trade, home economics, and industrial education; for the preparation of teachers of agricultural, trade and industrial, and home economics subjects; and for the Federal administration of the act.

BASIS OF ALLOTMENT TO STATES

Cooperative vocational education funds are allotted to the States on the basis of relative population. Specifically the funds appropriated under the act of February 23, 1917, are allotted to the States for agricultural education in the proportion which their rural population bears to the total rural population of the United States; the funds provided in this act for trade, home economics, and industrial education are allotted to the States in the proportion which their urban population bears to the total urban population of the United States; and the funds allotted to the States for the training of teachers in the proportion which their total population bears to the total population of the United States.

ALLOTMENT OF FUNDS TO STATES FOR AGRICULTURE

The funds authorized to be allotted to the States under the act of February 5, 1929 (George-Reed Act), in the case of agriculture are allotted to the States and Territories in the proportion that their farm population bears to the total farm population of the United States, exclusive of insular possessions; the funds authorized for home economics under this act are allotted to the States and Territories in the proportion that their rural population bears to the total rural population of the United States, exclusive of the insular possessions.

PROGRESS IN VOCATIONAL EDUCATION, 1918-1929

While no authentic information was available, it was estimated that the enrollment in all vocational schools in 1917 did not exceed 25,000. At the end of the fiscal year 1918 the enrollment under the national program was 164,000. By the end of the fiscal year 1929 the total enrollment passed the million mark and reached 1,047,957 boys and men and women.

VOCATIONAL REHABILITATION

In 1920 the Federal Government entered into a partnership with the States for the vocational rehabilitation of the physically disabled.

Disabled persons can not be rehabilitated in groups. Each case presents its own particular problems and must, therefore, be handled on an individual basis. The States have in their employ about 160 men and women highly trained in this technical form of service.

Experience shows that the work is feasible and practical. It is economically and socially sound. Remunerative employment can be found for every disabled man and woman, provided he or she is given proper training and is placed in a suitable occupation.

Since the inception of the program 40,000 disabled persons have been rehabilitated and returned to employment. This number does not include the many thousands of disabled persons who have been given some type of service other than retraining, which has improved or raised their economic status. In no year has the cost per case exceeded \$300. Frequently the total cost of rehabilitation of an individual, including

administration, is less than his increased earning capacity in one year. The average life expectancy of those rehabilitated is 20 or more years.

There are 44 States that now have vocational rehabilitation legislation. During the past fiscal year—that is, 1929—they vocationally rehabilitated, in round numbers, 5,000 disabled persons and placed them in remunerative employment. The total cost of rehabilitating those individuals, on the average, covering all expenses, is in the neighborhood of \$300.

That is a significant figure when contrasted with the cost of maintaining a dependent person at public expense, which will run anywhere from \$300 to \$500 per year.

The average age when disabled is around 32 years, so that these persons on the average have a life expectancy, conservatively speaking, of 30 years.

Through the bill which I fathered last year I am pleased to tell you the blessings of rehabilitation are being speedily brought to the disabled of the District of Columbia.

This board has taken a total of 40,000 from the street corners and from wheel chairs, peddling shoe strings, lead pencils, and that sort of thing and has fitted them for real work and put them into gainful employment. It costs about \$300, as I have said, to rehabilitate one of these persons, who, on the other hand, is costing the taxpayers about \$300 to \$500 a year to maintain for an indefinite period, probably an average of 300 years. So, considered from the dollars and cents standpoint, there is everything to gain by carrying out this work, but the big factor, to my mind, is the lifting of the morale of these poor fellows who, through no fault of their own, have become disabled by some accident and are going to be helpless invalids for life, so far as gaining a livelihood is concerned, unless they are rehabilitated and fitted into the scheme of things again. This is the achievement that makes rehabilitation really worth while.

Mr. PERKINS. Will the gentleman yield?

Mr. SUMMERS of Washington. Yes.

Mr. PERKINS. May I ask how many persons were rehabilitated?

Mr. SUMMERS of Washington. I used the figure here of 5,000 in 1929.

Mr. PERKINS. Then I think the gentleman must have understated the total number of years of expectancy when he put that at 300 years.

Mr. SUMMERS of Washington. I read my figures wrong. The expectancy of these 5,000 is 30 years each.

FEDERAL FARM BOARD, \$1,000,000

Mr. Legge, the chairman, and Mr. Christensen, the secretary of the board, discussed their activities for two hours. The following statement will indicate the policies set up and progress of the board:

DEVELOPMENT OF THE ORGANIZATION AND ACTIVITIES OF THE FEDERAL FARM BOARD

The Federal Farm Board was created by the agricultural marketing act approved by Congress June 15, 1929. Eight members of the board were appointed and the board was organized on July 15, 1929.

When the eight members of the board first met on that day in the temporary headquarters, Mayflower Hotel, they were without a stenographer, a clerk, a pencil, or a piece of paper. In other words, the board had to start from scratch. The only thing which the board had before it was a copy of the agricultural marketing act.

Just a word about the organization set-up and personnel of the board. The board is not in the way of personnel a large institution and it is not proposed that it shall be large. It is not its policy to take over any of the State or Federal activities with respect to agriculture. Only one unit in the Department of Agriculture, the division of cooperative marketing, as I have already outlined in my testimony, has been transferred to the board by Executive order. The reason for this transfer was that after careful study by an independent committee it was found that the work of the division of cooperative marketing in the Department of Agriculture was so similar to the investigational work which would have to be conducted by the Federal Farm Board in connection with its loans to and activities with cooperative associations that it would be most practicable, both from the standpoint of avoiding duplications and rendering more efficient service to the cooperative associations, to transfer the division to the board.

In addition to the division of cooperative marketing, the board has three other divisions, the loan and legal divisions which I have already discussed in my testimony, and a division of information, headed by Mr. Frank Ridgway. In addition to the administrative units discussed during the hearing, the board has in its personnel Mr. Edgar Markham, assistant to the chairman in charge of press relations, and Dr. Joseph Davis, chief economist.

The board from the beginning adopted the policy of utilizing the services of, and working with and through, existing State and Federal agencies, such as the Departments of Agriculture and Commerce, the

Federal Farm Loan Bureau, the Federal intermediate credit banks, the Federal reserve banks, the State and Federal extension services and State agricultural colleges.

During the first several months of its existence the board has confined its efforts primarily to the development of policies and procedure and to assisting existing cooperative associations in perfecting better organization plans, as well as operating procedure. It has encouraged cooperative associations handling similar commodities to coordinate their business activities by joining into regional and national sales agencies. In this connection, the board has assisted the some 4,000 farmer elevators, the 8 state-wide wheat pools, and the 8 or 9 farmers' terminal elevator sales agencies to centralize their selling activities. This has resulted in the formation of the Farmers' National Grain Corporation. The wool cooperatives have formed the National Wool Marketing Association, and the existing cotton cooperatives have recently set up a central selling agency to be known as the American Cotton Cooperative Association. Once such regional and national organizations are set up and functioning, it is the policy of the board to deal with the member units through the central.

As a second means of strengthening existing cooperative associations the board has granted both commodity and facility loans to qualified organizations that have shown the need for such loans.

Sixty-seven million dollars in loans have been authorized but associations have only qualified for \$18,000,000.

Probably no one in the United States would eliminate this board at this time.

FEDERAL OIL CONSERVATION BOARD, \$17,220

The board was instituted by President Coolidge in 1924. In 1925 Congress appropriated \$50,000 for the expenses of this board. There has been no new appropriation since that time, but Congress has from year to year reappropriated the unexpended balance.

The four Cabinet officers comprising the board have a subcommittee of one man from each of the departments, who does more or less detail work—George Otis Smith, representing the Interior Department; General Jadwin did represent the War Department last year; Admiral Rousseau, of the Navy; and Scott Turner, of the Bureau of Mines in the Department of Commerce.

PROSPECTIVE FUTURE ACCOMPLISHMENTS OF BOARD

I might just sketch briefly what the board still thinks may be accomplished.

One thing would be securing the enactment of uniform laws, or as nearly uniform as possible, for the conservation of oil and gas and the prevention of waste. That would be done, of course, through State legislation, but the board can coordinate and carry on an educational campaign.

Then the unit development and operation of oil and gas fields. That has been proposed, and New Mexico has already passed an act of that sort.

Prevention of overproduction, with the attendant economic waste.

Further study of the conservation and use of oil and gas resources.

Finally, further study of the foreign oil production, and particularly the question of imports of oil as affecting American interests.

FEDERAL POWER COMMISSION, \$176,000

The Federal Power Commission was created by an act of Congress in 1920. That act designated the Secretary of Agriculture, the Secretary of War, and the Secretary of the Interior as the commission.

There was authorization to employ only the man who served as the executive secretary. The rest of the headquarters staff was obtained by detail from the three component departments which were interested in the commission.

The original idea was merely to coordinate the water-power activities that previously had been carried out under the respective jurisdictions of these three departments, the War Department, of course, having jurisdiction over any water-power development on navigable streams, the Department of Agriculture, through the Forest Service, having jurisdiction over the power development which required the use of lands in the national forests, and the Interior Department having jurisdiction in issuing right-of-way authorizations on the public domain.

At this time a spirited controversy rages in the office of the commission. One faction contends for a greatly expanded organization that may handle all problems and details. The other contends that these can be successfully handled by the three departments and by employees detailed therefrom, as the present law directs.

The following tables give a condensed summary of the commission's activities and of the development of electric-power development in the several States:

Summary of Federal Power Commission activities by fiscal years

Fiscal year	Project applications filed	Applications disposed of	Projects licensed		Projects under preliminary permit	Withdrawals		Restoration cases		Declarations of intention	
			Major	Total		Number	Acres	Filed	Disposed of	Filed	Disposed of
1921	229	47	4	15	13	121	552,590	79	25	10	8
1922	92	116	14	34	58	59	675,126	149	163	24	24
1923	104	131	27	51	81	85	185,830	129	138	17	14
1924	87	94	3	30	74	78	82,829	102	108	21	18
1925	112	87	10	50	80	69	110,636	90	89	15	17
1926	102	94	11	35	73	49	92,634	87	89	11	7
1927	97	106	15	57	64	49	71,751	85	86	6	10
1928	87	97	13	63	58	93	110,788	121	111	6	8
1929	92	63	2	34	47	71	93,826	110	113	6	6
Total	1,002	835	99	369		674	1,976,010	952	922	116	112

Summary of license authorizations outstanding, June 30, 1929

Classification	Number	Horsepower installation	
		In operation	Ultimate
Major projects	100	2,496,368	5,576,841
Minor-part projects	22	149,215	158,900
Minor projects	84	6,483	8,496
Transmission lines	167		
Total	373	2,652,066	5,744,239

¹ Includes 4 cases in which license has been authorized but not yet issued.

Total electric-generating capacity of United States in relation to capacity operating under Federal Power Commission license

State	Total installed capacity of stations in public-utility service ¹				Federal Power Commission license ²	
	Number of plants	Water power	Fuel power	Total	Installed capacity in operation	Number of plants
Alabama	47	792,576	244,404	1,036,980	347,000	3
Arizona	28	91,720	40,640	132,360		
Arkansas	70	13,555	109,009	122,564	9,650	1
California	151	2,116,170	1,244,846	3,361,016	622,555	22
Colorado	56	75,201	208,773	283,974		
Connecticut	41	106,570	613,479	720,049		
Delaware	7	0	42,900	42,900		
District of Columbia	3	4,020	223,110	227,130		
Florida	78	7,638	471,782	479,420	700	1
Georgia	83	357,293	123,023	480,316	66,000	1
Idaho	45	297,842	2,626	300,468	97,200	12
Illinois	124	59,362	2,853,819	2,913,181	5,300	1
Indiana	112	53,170	867,233	920,403		
Iowa	141	166,596	434,892	601,488		
Kansas	123	12,221	470,530	482,751		
Kentucky	57	140,218	314,002	454,220	111,000	2
Louisiana	44	0	196,823	196,823		
Maine	73	208,672	50,426	259,098		
Maryland	25	364,742	432,050	816,792	378,000	1
Massachusetts	61	197,396	1,551,999	1,749,395		
Michigan	170	341,163	1,430,163	1,771,326	2,300	1
Minnesota	117	204,934	443,932	648,866	42,200	3
Mississippi	61	0	76,293	76,293		
Missouri	97	20,167	632,755	652,922		
Montana	31	288,888	13,786	302,674	600	1
Nebraska	122	13,408	238,512	251,920		
Nevada	10	12,207	1,863	14,070		
New Hampshire	45	84,248	52,210	136,458		
New Jersey	30	12,395	891,294	903,689		
New Mexico	23	616	32,961	33,577		
New York	253	1,392,430	4,181,066	5,573,496	570,650	3
North Carolina	74	720,554	294,948	1,015,502	300	1
North Dakota	36	0	63,058	63,058		
Ohio	121	18,351	2,454,663	2,473,014	1,173	3
Oklahoma	103	2,312	378,365	380,677		
Oregon	58	201,413	157,798	359,211	43,700	3
Pennsylvania	141	283,690	3,163,201	3,446,891	87,000	2
Rhode Island	8	2,345	329,607	331,952		
South Carolina	45	499,927	157,954	657,881		
South Dakota	55	6,045	64,150	70,195		
Tennessee	57	188,005	260,860	448,865		
Texas	217	6,959	952,725	959,684		
Utah	54	127,607	49,868	177,475	16,940	9
Vermont	71	214,198	14,016	228,214		
Virginia	72	102,341	444,700	547,041		
Washington	67	664,641	147,323	811,964	85,940	
West Virginia	46	75,275	688,562	763,837		
Wisconsin	178	313,126	654,647	967,773	920	1
Wyoming	34	14,071	44,575	58,646	850	1
Total	3,795	10,876,280	28,827,520	39,703,800	2,489,978	75
Alaska					6,390	4

¹ Adapted from U. S. Geological Survey statistical data as of Jan. 1, 1929.

² As of June 30, 1929, not including minor and minor-part licenses.

NOTE.—State regulatory commissions are functioning in each of the States containing public utility plants licensed under the Federal water power act with the exception of Kentucky and Minnesota where local community control is practiced. Under such circumstances the jurisdiction of the Federal Power Commission as to regulation over services rendered and rates charged to consumers is practically negligible.

FEDERAL RADIO COMMISSION, \$450,000

The work of this commission is constantly expanding and becoming more complicated and exacting.

By the act of December 18, 1929, the Federal Radio Commission became a permanent administrative body. It should also be remembered that the Department of Commerce administers much of the radio legislation enacted by Congress.

It is estimated there are now 10,000,000 receiving sets in operation in the United States and an audience of 40,000,000 to be served and satisfied. Radio sales in 1922 were estimated at \$60,000,000. In 1928 radio sales had leaped to \$650,550,000.

No other industry has ever expanded so rapidly nor has any other entailed so many intricate problems. Licenses, frequencies, effective radio equipment on every boat that enters our harbors, airplane communication, television, the location of minerals, and innumerable other problems confront those who administer radio legislation.

The commission is entitled to the fullest cooperation from the public while charting an unfathomed sea that reveals new and difficult problems daily.

FEDERAL TRADE COMMISSION, \$1,437,460—CONGRESSIONAL INQUIRIES

The commission has under way and is directed to make special inquiries as follows:

Utility corporations, Senate Resolution 83, Seventieth Congress, first session.

Newsprint paper, Senate Resolution 337, Seventieth Congress, second session.

Cottonseed prices, Senate Resolution 136 and Senate Resolution 147, Seventy-first Congress, special session.

Peanut prices, Senate Resolution 137, Seventy-first Congress, special session.

Electrical energy, Senate Resolution 151, Seventy-first Congress, first session.

Chain stores, Senate Resolution 224, Seventieth Congress, first session.

Bread and flour, Senate Resolution 163, Sixty-eighth Congress (awaiting court action for further report).

The work of the commission in handling trade-practice conferences has increased very materially during the last fiscal year. To date the commission has held about 100 conferences. Those conferences are held with various industries, and they are of value to the industries, because the industries themselves, on their own motion, eliminate unfair and harmful trade practices.

This instance will illustrate: The commission held a trade-practice conference with the correspondence-school industry. The correspondence schools constitute an enormous business in this country. At the time they held the conference the commission had on hand 99 specific complaints against 99 separate schools as to unfair advertising, misrepresentation, and false statements. Through the medium of the conference they were able to adjust the complaints for that entire industry. They were able to dispose of those 99 cases at one conference.

Applications for conferences have been received and are now being considered to cover 29 industries running from pins and feathers to sardines, pearls, mattresses, and plumbing fixtures.

You certainly would be surprised if you were to read the hearings and see the scope of the work in which they are engaged.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

Mr. WASON. Mr. Chairman, I yield the gentleman 10 additional minutes.

GENERAL ACCOUNTING OFFICE, \$4,181,000

Mr. SUMMERS of Washington. Perhaps the most interesting thing I can tell you of the General Accounting Office is that it is rapidly changing from a postaudit system to a preaudit plan.

This means that all accounts will be audited before the money leaves the Treasury. The payee will, in the first instance, receive the exact amount due him. This is evidently more satisfactory than for him to have received an excessive amount only to be called on some months later for a refund. That the pre-audit will effect great savings for the Federal Treasury is evident.

The preaudit is in operation in 12 or more departments and bureaus at the present time.

Under the postaudit plan from \$7,000,000 to \$9,000,000 per year has been recovered to the Treasury.

There are 1,961 employees in the General Accounting Office. The importance of this office can scarcely be overestimated.

Mr. STAFFORD. Will the gentleman yield?

Mr. SUMMERS of Washington. I yield.

Mr. STAFFORD. Do the hearings disclose how long a time the creditor of the Government will be delayed in receiving payment by the preaudit system?

Mr. SUMMERS of Washington. Not very much longer than at the present time because the department or bureau under which the employee is serving will make the computation in the first place as they interpret the law, and it will then be reviewed, very briefly reviewed, in most instances, by the General Accounting Office, because it is not necessary to spend the time on it that was necessary in the first instance.

Even at the present time the General Accounting Office is maintaining in the Post Office Department and in the Veterans' Bureau, and perhaps some other departments, a force of their own men so they can preaudit the accounts and permit vouchers to go out without delay. So I think there will be but little delay, and that delay will be more than offset by the fact that the individual will receive the exact amount due him and will never be called upon for a refund.

HOUSING CORPORATION, \$48,950

This is a World War activity that is growing smaller each year. Your committee believes its activities might economically be transferred to other departments at an early date.

Although the Government hotels has, since July 1, 1929, operated with a plant of reduced capacity, it continues to supply food and room accommodations to its guests to the limit of its capacity—that is, 600 guests—and to furnish towel and general laundry service to virtually all Government departments and to provide and maintain buildings in which are housed other branches of the Government, viz: The Bureau of Home Economics of the Department of Agriculture and the National Guard of the District of Columbia. Mr. Lynn tells us all of these temporary buildings will be razed soon after July 1, 1930, to make way for the authorized park development.

The Government laundry effects a saving of about 50 per cent in laundering towels for all departments. A new site should be found and its operation continued.

Mr. STAFFORD. Will the gentleman yield?

Mr. SUMMERS of Washington. I yield.

Mr. STAFFORD. Did the committee give any consideration to the abandonment or razing of buildings on Pennsylvania Avenue occupied by the Treasury Department, and to be torn down by reason of the opening of the new Government section—particularly that square that is directly opposite the Willard Hotel, now occupied by Poli's Theater and the Coast Guard Service? From my point of view, that square should be razed as quickly as possible.

Mr. SUMMERS of Washington. I agree with the gentleman, but that does not come under the jurisdiction of this committee. We only deal with the housing corporation which is administering the temporary buildings. I hope the demolition of the buildings in the triangle may proceed speedily.

INTERSTATE COMMERCE COMMISSION, \$8,322,650

Valuation, consideration of rates, and other general duties of the commission are well known, so I call attention to some of the less known but valuable services rendered by the commission.

BUREAU OF SAFETY

As the result of that work, which some of us here have encouraged, I want to direct attention to the accident lists.

The total number of persons killed in 1927 was 6,382, and in 1928, 6,144, a reduction of approximately 200.

The total number of persons injured in 1927 was 42,603, and in 1928 it was 37,387, or a reduction of approximately 5,000.

The work of this bureau is largely for the general protection of the public and for the protection of the men engaged in train service. That is, their duties are to see that the cars operated are in proper condition, and that the safety appliances required by law are maintained in a proper condition.

WORK OF BUREAU OF TRAIN CONTROL

Closely associated with that work is the work of the bureau of train control. It consists of regulating the movement of trains so they will not come together; it is to prevent collisions.

Under that they have required the installation of some 12,000 miles of what has been termed train control. It provides that if, due to sudden disability of the engineer, or his attention is distracted from the track ahead and his train passes a caution signal or approaches a signal of danger, it will be automatically stopped.

LOCOMOTIVE INSPECTION BUREAU ESTIMATES

To illustrate what the work of that bureau has resulted in, in 1924 there were 1,005 accidents, resulting in 66 killed and 1,157 injured. That was perhaps a high year, and I do not want to use that entirely as a basis of comparison, because perhaps it would not be fair.

But if you go to 1927 you will find there were 488 accidents, which resulted in 28 killed and 517 injured. The number had been cut in two.

In 1928 there were 419 accidents, with 30 killed and 463 injured.

In 1929 there were 356 accidents, a decrease of 15 per cent, with 19 killed and 390 injured.

In 1928 there were but 83 passengers killed in the United States, although—and this is from memory, but it is approximately correct—there were 790,000,000 passengers carried 31,000,000,000 miles. That is a record of safety that the railroads and the commission and the Government can well be proud of.

The car loadings will run about 53,000,000, around 1,000,000 carloads a week during 1929.

PERISHABLE FARM PRODUCTS

We are shipping a little over a million cars a year of perishables. The American people now demand fresh fruits and vegetables from everywhere. They ought to have them at a reasonable freight rate. That is, the icing charge ought to be fair. We realize that the railroads can not be starved and neither can the builders of refrigerator cars. That involves the construction of icing stations, and all that; but in all that tremendous volume of work there are places for many leaks and the commission has got to check the accounts to find the leaks and when they find them it results in a saving to the people who use the foodstuffs; it results in a saving to the shipper and in a fair deal for the railroad and the refrigerator-car company, as well as a saving to the producer.

MOUNT RUSHMORE NATIONAL MEMORIAL COMMISSION, \$60,000

You will be interested in a brief history of the Mount Rushmore Memorial as given our committee by Hon. WILLIAM WILLIAMSON, of South Dakota.

Some years ago a number of the people in South Dakota organized the Mount Harney Memorial Association with a view to carving upon Mount Rushmore a gigantic memorial to consist of the figures of Washington, Jefferson, Lincoln, and Roosevelt.

Something of the tremendous size of the memorial may be visualized when it is remembered that the figures are of the scale of men 465 feet in height.

Washington's face, now nearly completed, from the top of the forehead to the bottom of the chin, is 60 feet in length. The memorial can be seen from a distance of many miles so distinctly that the features of Washington can be easily recognized. The mountain itself towers to an altitude of about 6,000 feet above sea level and to a height of about 400 or 500 feet above the immediately surrounding terrain. The mountain is of a pure gray granite, which lends itself to beautiful carving. It is of fine texture, and it is believed that the memorial will endure for thousands of years without very serious deterioration. I am advised by geologists that the figures will be easily recognizable even after a lapse of 1,000,000 years.

Mount Rushmore is located in the southwest part of South Dakota, near Keystone. The memorial will cost \$500,000, which is being contributed by the Federal Government and by the State and by private subscriptions.

The idea of the State association and of the sculptor it chose, Mr. Gutzon Borglum, in selecting those four figures, was to signify the founding of the Government under Washington, its extension under Jefferson through the Louisiana Purchase, its preservation under Lincoln as a result of the successful outcome of the Civil War, and the tying of the East to the West by water, through the Panama Canal, by Roosevelt.

The memorial, the park of 160 acres, and the roads leading to it, will all be completed by 1935 at a total cost of \$750,000, of which the Federal Government will contribute not to exceed \$200,000.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS, \$1,321,000

The National Advisory Committee for Aeronautics was established by act of Congress approved March 3, 1915, and the membership increased from 12 to 15 members by act approved March 2, 1929. Its membership is appointed by the President and consists of two officers of the Army, two officers of the Navy, a representative each of the Smithsonian Institute, the United States Weather Bureau, and the United States Bureau of

Standards, together with eight additional citizens acquainted with the needs of aeronautical science, or skilled in aeronautical engineering or its allied sciences. All the members, as such, serve without compensation.

DUTIES AND ACTIVITIES OF COMMITTEE

The duties of the committee, as provided by Congress, are to supervise and direct the scientific study of the problems of flight, with a view to their practical solution, and to determine the problems which should be experimentally attacked, and to discuss their solution and their application to practical questions; also to direct and conduct research and experiment on the more fundamental problems of aeronautics in such laboratories as may in whole or in part be placed under the direction of the committee.

By act of Congress approved July 2, 1926, as amended March 3, 1927, the committee was given the additional function of passing upon the merits of aeronautical inventions and designs submitted to any branch of the Government with a view to securing an award from the aeronautical patents and design board, which is composed of the Assistant Secretaries for Aeronautics of the Departments of War, Navy, and Commerce.

LABORATORY AT LANGLEY FIELD

At Langley Field the board operates the most complete aeronautical laboratory in the world. The importance of the work done there in behalf of safer air navigation can only be appreciated by a careful study of the hearings.

Their findings are promptly available for the industry throughout the United States.

The important figures that indicate the growth of American aeronautics, according to official estimates of the Department of Commerce obtained November 1, 1929, show for example:

That operating companies in the United States have developed scheduled air-transport services which fly approximately 82,000 miles daily; that there are 170 different types of airplanes licensed by the Department of Commerce, including 12 types having two or more engines; that there are approximately 9,300 licensed or identified civil aircraft in the United States; that there are 35,000 miles of airways, of which approximately 12,500 miles are lighted for night flying, which is a very wonderful achievement; that mail carried by aircraft has increased tenfold since 1926 to an estimated total for 1929 of 8,000,000 pounds; that paying passengers have increased from 8,000 in 1926 to 85,000 in 1929; that there are now 1,520 airports and landing fields and over 1,200 proposed; that 8,900 civilian pilots' licenses and 28,000 pilot-student permits have been issued.

PORTO RICAN HURRICANE RELIEF COMMISSION, \$1,000,000

The commission was created by a joint resolution of Congress approved December 21, 1928. The resolution creating the commission authorized an appropriation of \$8,150,000, of which \$6,000,000 was to be for loans, \$2,000,000 for schoolhouses and roads, \$100,000 for seed, and \$50,000 for administration. The amount available for loans up to December 31, of last year, was \$3,000,000, and there was also made available from appropriations for the fiscal year 1929 an additional \$2,000,000. There was also authorized for appropriation an additional \$1,000,000, which has not yet been appropriated.

In connection with the devastation, we were informed that practically every tobacco barn in the whole island was blown down. I think there were 900 of them that went down. I do not think there was one left standing. The coffee crop was one of the finest that they ever hope to have, and they expected to get \$10,000,000 for it, and it was absolutely wiped out. So what the United States has very generously loaned to them as a matter of fact is not enough to pay for the coffee crop that they lost; and the total amount of the devastation down there is estimated, according to the best estimate, at \$85,000,000.

That coffee crop takes four to five years to develop, and it is the industry of the small farmer there.

PUBLIC BUILDINGS AND PUBLIC PARKS OF THE NATIONAL CAPITAL, \$3,591,640

This title involves great detail, as you will find by reference to 12 pages in our hearings.

These many activities are under the able supervision and direction of Col. U. S. Grant 3d.

SMITHSONIAN INSTITUTION, \$1,145,171

Few who visit the Smithsonian have even the least comprehension of the scope of its interesting activities. Other than what appears to the visitor, let me at least indicate some of the institution's activities. There is a section devoted to international exchanges of publications, ethnology research among American Indians and natives of Hawaii, archaeological expedition into New Mexico, determination of dates when ruins were occupied, international catalogue of scientific literature, astrophysical observatory, preservation of collections, National Gallery of Art, Freer Art Gallery.

TARIFF COMMISSION, \$785,000

Established primarily as an investigating body under the provisions of title 7 of the revenue act of 1916, the Tariff Commission prepares for the use of the President and the Congress economic and industrial information concerning the domestic and foreign trade of the United States as related to or affected by customs duties, laws, regulations, and usages. The scope of the commission's work was extended and greatly enlarged upon the enactment of the special provisions of sections 315, 316, 317, and 318 of the tariff act of 1922.

Section 315, familiarly referred to as the flexible provision, authorizes the President, after investigation and a report by the Tariff Commission, to proclaim changes in classification or in rates of duty within certain definitely specified limits.

Section 316 deals with unfair methods of competition or unfair acts in the importation and sale of foreign articles.

Section 317 deals comprehensively with discriminations by foreign countries against the commerce of the United States.

Section 318 enlarges the general powers of the commission.

PERSONNEL

The commission, with offices at Washington, D. C., New York City, and Brussels, Belgium, consists of six commissioners, a secretary, and administrative staff, and a technically trained staff. The total personnel, including the commissioners, is 227—January 9, 1930. During the year ended June 30, 1929, the total expenditures of the commission for salaries, field expenses, printing and binding, and outstanding obligations were \$759,347.76.

Under the flexible provision the President has increased the duty on 32 items (12 of which are agricultural). He has decreased the rates on four items (two of which concern the farm).

GEOGRAPHIC BOARD, \$14,660

The board was created by Executive order September 4, 1890. All Government departments and establishments are required to observe the decisions of the board. All private map makers and publishers conform to the board's rulings.

The scope of the board's work may be illustrated by this testimony:

Mr. WOODRUM. What are the general functions of the board?

Mr. BARNES. They are just to settle these questions. For instance, there is a company publishing scientific school maps in Chicago that asks us to send them a list of nearly a hundred names that have been changed. In these new countries in Europe all the names have been changed, and this company wants to know whether the board has made any decisions on those names. Yesterday we decided 51 names of places in Turkey that the new Turkish Government has recently changed. For instance, we have lost Constantinople, Gallipoli, and Angora. You can't say, "You have got my Angora" any more. Constantinople has become Istanbul, Gallipoli has become Gelibolu, and Angora has become Ankara. Those are the 3 outstanding names among the 51; and we are continually called up about them. I don't suppose there has been a day in the last three months that somebody has not called up and said, "What is Constantinople called now?" Because the post-office authorities will not forward a letter addressed to Constantinople. It will be sent back.

MEMBERS COMPOSING BOARD

The big departments have from one to four members on the board, and the Department of Commerce has four. The Treasury Department, the State Department, the War Department, the Navy Department, the Smithsonian Institution, the Library of Congress, and the Government Printing Office are among the departments and offices that have members on the board.

They have a meeting of the board once a month, and have at some of their meetings passed on as small a number as 35 or 40 names, and sometimes decide on as many as 150 or 200 names.

UNITED STATES SHIPPING BOARD AND FLEET CORPORATION, \$6,346,000

This board continues to function under seven commissioners.

MERCHANT FLEET CORPORATION, \$5,950,000—OPERATING RESULTS

The total operating loss for the Merchant Fleet Corporation for the fiscal year 1929 was approximately \$13,665,000, excluding the cost of reconditioning and operating vessels in the coal trade. This amount is about \$2,614,000 below the loss reported in 1928 and also compares favorably with the results in preceding years, it being the lowest point in the gradual scale of reductions from a total loss of \$41,000,000 reported in the fiscal year 1924.

SALES OF VESSELS

Mr. O'Connor tells us that from a sales standpoint the outstanding event of the fiscal year 1929 was the sale of the United States Lines and the American Merchant Lines, the last of the passenger and fast freight services of the United States Shipping Board. By the terms of this sale the purchaser, the United States Lines (Inc.), agreed to pay \$16,082,000 for the 11 vessels

comprising the two lines and guaranteed to operate these vessels for 10 years in the services previously maintained by the Shipping Board.

In addition to the sales of these passenger and fast freight services, three cargo lines, including 32 vessels, were sold during the fiscal year 1929 for guaranteed operation. Other sales during that fiscal year included 136 freighters, 3 refrigerator ships, and 9 tankers, making a total of 191 vessels sold during the year.

During the first half of the current fiscal year the sale of 85 vessels has been authorized. This total includes 8 cargo vessels authorized to be sold with the Gulf West Mediterranean Line for guaranteed operation, 76 other cargo vessels, and 1 tanker.

The great activity in sales of vessels in the past few years is indicated in some detail in the accompanying statement, which groups sales by types of vessels and terms of sale and summarizes them by years. From the beginning of the fiscal year 1926 to December 31, 1929, inclusive, a period of four and a half years, 743 vessels were sold under varying conditions. This total includes 161 vessels sold for unrestricted operation by many different purchasers, 155 sold for guaranteed trade-route operation by 17 different lines, 75 vessels sold subject to special agreements for their reconditioning or improvement, 303 vessels sold for scrapping, and 49 vessels sold with privilege of transfer to foreign registry. Sales prices of the 743 vessels total nearly \$66,000,000.

NUMBER OF VESSELS CONTROLLED BY MERCHANT FLEET CORPORATION

On December 31, 1929, there were 532 vessels under the control of the Merchant Fleet Corporation, and 55 of this total had been sold but not yet delivered to purchasers. On that date, therefore, there were but 477 unsold vessels, of which 218 were assigned to managing operators.

The total number of vessels under the control of the Merchant Fleet Corporation has been reduced from 823 on June 30, 1927, to 532 on December 31, 1929, a decrease of 291 vessels in a period of two and a half years. In the same period the number of vessels assigned to managing operators dropped from 296 to 218 as the result of sales of lines and vessels.

CONSTRUCTION LOAN FUND

Since the establishment of the construction loan fund, as authorized by the merchant marine act of 1920, subsequent amendatory enactments, and the merchant marine act of 1928, revenues from sales and operations totaling \$99,594,801.33 have been placed in this fund. It will be recalled that by the terms of the merchant marine act, 1928, sales receipts may be accumulated in this fund until a total of 125,000,000 is reached, and that total may be increased to \$250,000,000 by appropriations made by Congress.

From the date of the establishment of the construction loan fund to and including December 31, 1929, the Shipping Board authorized loans totaling \$73,558,590, and \$31,302,915 of this total was advanced to borrowers before the latter date. A total of \$3,757,293.68 has been repaid by borrowers according to their loan agreements, so on December 31, 1929, there were outstanding loans totaling \$27,545,621.32, and approximately \$42,300,000 remained to be advanced by the Shipping Board on loans which it had approved.

UNITED STATES VETERANS' BUREAU, \$511,225,000

The activities of the Veterans' Bureau are more or less familiar to all of you.

MILITARY AND NAVAL COMPENSATION

The appropriation requested for "Military and naval compensation" is in the amount of \$196,000,000, and is based upon the upward trend of awards and the increased expenditures from this appropriation occasioned by the emergency officers' retirement act.

There have been received 13,091 applications for retirement, filed within the time limit expiring May 24, 1929, of which 12,926 have been adjudicated. It is now estimated that the peak of the retirement will result in 5,800 awards, averaging monthly payments of \$140,000, or a total annual expenditure of \$9,744,000 for 1931.

During the fiscal year 1929 a total of 28,569 new claims for disability compensation were filed, which is a monthly average of 2,381. The heaviest number, however, occurred during the last four months of the fiscal year, which shows that the filing of claims is not diminishing. During the first four months of the fiscal year 1930 new claims were filed numbering 10,055, which is a monthly average of 2,514, as opposed to the average of 2,381 obtaining last year. Over a period extending from July 1, 1927, to October 31, 1929, the experience of the bureau has been that 29.58 per cent of the new claims received result in active awards of compensation. This has not been a fluctuating ratio, the percentage of claims allowed holding closely to 30 per cent each month. There is no definite indication as to

when these claims will cease coming in, or show any substantial decrease, and from these figures you may gain an idea of the volume of work and the increased expenditure involved. As of June 30, 1929, there were 266,498 active awards of disability compensation. It is estimated that this number will increase through the fiscal year 1930 by 7,690, so that on June 30, 1930, there are expected to be 274,188 active awards of disability compensation, with an average monthly payment, including retroactive disbursements, of \$46.98 per award. The average monthly payment per award on disability compensation is at present \$47.52 and, in arriving at the estimate submitted, a gradual decrease has been anticipated through the expected falling off in retroactive payments, so that in June, 1930, the average value per award is expected to reach \$46.98, and by June, 1931, \$46.11. The increased number of active awards computed for 1930 is 2.89 per cent, as compared with an increase of 3.48 per cent experienced in 1929. For the fiscal year 1931 an increase of 6,793 active awards, or 2.48 per cent, is estimated.

PATIENTS HOSPITALIZED UNDER SECTION 202, WORLD WAR VETERANS' ACT

During the fiscal year 1928 there were 6,514,925 days of patient relief furnished in Veterans' Bureau hospitals, of which 1,985,522 were hospitalizations under section 202 (10) of the World War Veterans' act. That is, these are the nonservice connected cases—men whose disabilities are not due to service. They constitute 30.47 per cent of the total patient days. During the fiscal year 1929 there were 7,013,010 days of patient relief furnished in Veterans' Bureau hospitals, of which 2,493,245, or 35.55 per cent, were nonservice disability hospitalizations under section 202 (10), which is an increase in excess of 5 per cent. The total number of days of patient relief furnished in all hospitals during 1929 was 10,046,258.

The total amount carried in this bill for all activities of the Veterans' Bureau for the next fiscal year is \$511,225,000.

The appropriation for the present year for the Veterans' Bureau, the Pension Bureau, and soldiers' homes is approximately \$770,000,000, or more than \$2,000,000 per day. This includes Government insurance claims.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. SUMMERS of Washington. I yield to my friend from New Jersey.

Mr. PERKINS. As I understood the gentleman's statement, the amount carried in this bill for the Veterans' Bureau is \$511,225,000?

Mr. SUMMERS of Washington. Yes; that is correct.

Mr. PERKINS. There is legislation now before the Veterans' Committee which is likely to involve an expenditure of anywhere from \$20,000,000 to \$100,000,000 a year in addition to the amount carried in this bill, and I think it might be well for the Congress and the country to know that fact. If all of the propositions to-day pending before the World War Veterans' Committee are enacted into law, it will cost not less than \$100,000,000 a year in addition to the present appropriations.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. SUMMERS of Washington. Yes; I yield to my distinguished floor leader.

Mr. TILSON. What proportion of the entire appropriation for independent offices goes to the one bureau, the Veterans' Bureau?

Mr. SUMMERS of Washington. About 92 per cent of it.

Mr. TILSON. And what is the total amount carried for independent establishments in this bill?

Mr. SUMMERS of Washington. Five hundred and fifty-two million one hundred and seventy-two thousand two hundred and thirteen dollars, of which \$511,225,000 goes to the Veterans' Bureau, and \$40,947,213 to the other 29 commissions, bureaus and boards.

Mr. TILSON. So if there is any considerable criticism of the amount expended for independent bureaus it must be largely charged up to this one bureau, the Veterans' Bureau, and I have heard no one ask that that be curtailed or abolished.

Mr. PERKINS. The criticism was not directed to the bureau, but was directed to expending so much money.

Mr. TILSON. The criticism has been directed to expending so much money for these independent establishments, without any discrimination, and what I wish to bring out is a very large portion of it is expended for this one activity, which no one seeks to destroy or would want to curtail.

Mr. PERKINS. And I want to call attention to the fact that there is no criticism of the Veterans' Bureau as such.

Mr. TILSON. Oh, no.

Mr. SUMMERS of Washington. The criticism should be directed not to the expenditure of money by the Veterans' Bureau but rather to the writer of the magazine article and to politicians on the stump who mislead the people. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield 20 minutes to the gentleman from Georgia [Mr. BRAND].

Mr. BRAND of Georgia. Mr. Chairman, considering the attitude of the Federal Farm Board, created under the act passed at the last session of Congress, in regard to cotton and the cottonseed questions and the published statements made by G. G. Henry, of Little Rock, Ark., treasurer of the American Cotton Cooperative Associations, I have asked this time in order to bring to the attention of the cotton farmers of my district and State information which I have assembled in regard to the cottonseed question, in which I think they may be interested.

Defending the Federal Farm Board and the association, Henry declared that—

Every farmer must raise all his own food and feed this year, plant only land that has produced a profit over a 5-year period in cotton, and plant only seed that will produce a high yield per acre to obtain the premium he is entitled to.

It is not my purpose at this time to make any answer to the stupid statement of Henry, which declares as a fact that cotton farmers have produced a profit over a 5-year period in cotton, which is untrue so far as Georgia is concerned, my remarks being confined to a discussion of the character of cottonseed which cotton farmers may think advisable to consider in deciding the variety of seed to plant, which is a question they must finally determine for themselves. Before doing so I call the attention of the House to House Resolution 77, introduced by the gentleman from Texas [Mr. PATMAN], the purpose of which is defined in the resolution. As it is brief, I shall read it:

Resolved, That there is hereby established a select committee to be composed of three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives.

SEC. 2. (a) The committee is authorized and directed to conduct a thorough investigation into the activities of all persons, firms, and corporations engaged in the business of purchasing cottonseed for crushing purposes, and purchasing cottonseed oil and refining cottonseed oil and otherwise engaged in purchasing or handling the products produced from cottonseed, for the purpose of ascertaining whether there be a combination to fix the prices of cottonseed or the prices of any products produced from cottonseed in violation of the antitrust laws of the United States, or unduly detrimental to the rights of growers and producers of cottonseed.

The Committee on Rules heard Mr. PATMAN yesterday morning, at which time he made a very extensive and very intelligent, and, I hope and believe, a very effective speech in behalf of his resolution. I was present and made a brief argument in support of the same. On yesterday Mr. PATMAN made a comprehensive and magnificent speech on the floor of the House upon the merits of his resolution, wherein he submitted strong evidence to sustain his charge of an existing conspiracy to control the price of cottonseed. He was talking about one thing, however, and I propose to discuss another phase of the cottonseed question.

I want to call the attention of the House to one thing in which you gentlemen are all interested, whether you are interested in the character and price of cotton and cottonseed or not, and that is that this resolution calls for an investigation to be made by the House of Representatives. I told the Committee on Rules, in my opinion, the investigations as to cotton and the prices of cotton and the prices of cottonseed, which have been held in the Senate Office Building from time to time, since I have been a Member of Congress, have never up to date gotten anywhere, or accomplished anything which was of any substantial benefit to the cotton farmers; and I told the Rules Committee, and I repeat here, that the House of Representatives should take this matter into consideration and have this investigation made by a committee from this House.

I made bold to state that I believed the House of Representatives is closer to the people—the rank and file and the masses of the people—and that the Members of the House of Representatives know more about how the people feel, and what their real condition is, and how they are getting along in life, than the Senators do.

The Senator's have a 6-year term, and as a rule they do not often spend much time meeting and mingling with "the folks at home," and therefore do not have the opportunity of learning the real condition of the people. They can not, for this reason, know what their necessities are, what crosses they are carrying, and what sacrifices they are enduring. It is impossible for them to know their economic situation or financial condition, as many of them spend most of their time here in Washington. For these reasons I am heartily in favor of Mr. PATMAN's resolution.

During the month of November last year, at my request, I had a conference with a constituent and friend of mine, and a friend of the farmer, who is a cotton buyer and has been in the

business of buying cotton for nearly three decades, and who is generally recognized as having had an extensive and varied experience in the cotton and cottonseed questions. During this conference he said that the first function of the newly appointed Farm Board to really assist the cotton farmer is to also protect him through education in this way: First, by insisting that in the event of a loan a good quality of seed must be planted; a soil expert should determine the quality of fertilizer needed for this farm—the soil expert is available now from any State agricultural college—the farmer should be taught the proper use and the most economical method of the use of arsenate of calcium to combat the boll weevil; and also it is highly important that land determined as not adaptable for the profitable raising of cotton must be planted in some other product—peas, for instance—or some other humus which will build up the land.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield there?

Mr. BRAND of Georgia. Yes.

Mr. WRIGHT. Does what that gentleman says apply to what the experts in regard to soil have to say as to what sort of fertilizer would be called for? Would he enlighten them by information from the agricultural colleges?

Mr. BRAND of Georgia. I do not know of any soil experts or who are experts upon the subjects of fertilizer, unless they are the men who are appointed by the agricultural departments of the various States to examine the fertilizer used by cotton farmers in order to ascertain if the same meets the requirements of these departments as to the essential ingredients which the fertilizer should contain. These men are sometimes called extension workers but are generally known as county agents. There are about 5,000 of these agents in the United States in direct contact with the farmers. This work had its beginning in connection with the agricultural colleges under what is known as the Smith-Lever Act of 1914.

Mr. WRIGHT. Would they enlighten the farmer as to the soil and the need of the plant food?

Mr. BRAND of Georgia. I do not know as to that, though my information is these county agents are charged with the duty of informing farmers, when called upon to do so, upon all subjects appertaining to the industry of agriculture.

Mr. WRIGHT. Those experts just tell you that potash and ammonia and other chemicals are needed to be added to the soil. Would an analysis of the soil show that?

Mr. BRAND of Georgia. I do not know to what extent these men analyze the soil, and if and when analyzed what the soil shows, though I take it for granted that it is the duty of the county agents to impart information upon this subject when sought for by farmers.

The county agent is said to be a teacher charged with the duty of giving impartial service to all farmers. He is supposed to show the farmer the kind of crops most suited to his farm—

To teach marketing plans, grades, standardization, and to make available such information as will be helpful to them and contribute to the success of their work.

Mr. Chairman, I may say to my friend that I have not conferred with any of these county agents to get the information I am going to try to disseminate in my district for the benefit of my constituents and myself, though I am indebted for a part of my information upon the subject under discussion to the gentleman from Georgia, who is not only a dirt farmer, but a distinguished Member of this House.

It is a fundamentally sound proposition, that is to the interest of the cotton farmer if he can do so, to plant a good quality of cotton seed, a seed which will produce a staple not less than seven-eighths inch and not more in length than $1\frac{1}{8}$ inches. For this reason, a staple of under seven-eighths inch comes in direct competition with Indian, South American, and short-staple cotton from other countries. The cheap labor in the other countries mentioned enables their cotton to sell at a very great discount as compared with American cotton when American cotton is so much lowered in value by the farmer planting a poor quality of seed. One seed, for instance, is known as "half and half," the half-and-half production of lint cotton to seed cotton is pronounced a fallacy and the staple of this seed produces a range of from no better than five-eighths to three-fourths inch staple, the consequence of which is that on account of its competition with foreign growths it sells 250 to 300 points, or \$12.50 to \$15 per bale less than seven-eighths to fifteen-sixteenths inch staple. It is my understanding that American mills and foreign mills can not use this character of staple at less than a large discount under good quality of staple.

The daily sales in the Liverpool market show that American cotton is about 40 to 50 per cent and the remainder of the sales are of other growths, as against 70 to 80 per cent Ameri-

can growth in years when our staple was uniformly good. In order to keep our supremacy and now to at least try to get back to it we will be obliged to raise the standard of our staple.

This friend also said that he had recently traveled all over the cotton-growing States, and on this investigating tour he learned that in Texas and Oklahoma alone this present season it is freely said that one million to a million and a quarter bales have been raised of a staple so inferior that no one wants it, and inquiry will show that this short cotton is hardly merchantable and can be bought for just about whatever anyone will pay for it.

As to planting a staple too long, the same danger confronts the cotton grower. If $1\frac{1}{2}$ and longer staple is planted it comes in competition with Egyptian cotton, which is raised cheaper than we can raise staples. This fact is borne out by the amount of Egyptian cotton which is annually imported into the United States and consumed by our mills.

The whole matter resolves itself to the conviction that the southern farmer must plant a character of seed, cultivate it well, and produce a staple of from seven-eighths up to and not over $1\frac{1}{2}$ with a scattering of $1\frac{1}{4}$. Then competition with foreign growths will be negligible.

Mr. CRISP. Will the gentleman yield?

Mr. BRAND of Georgia. Yes.

Mr. CRISP. In the last Congress we passed a law requiring the Department of Agriculture in taking the census of the carry-over cotton to show the different staple grades. Has that been done so far as the gentleman knows, and how much of this worthless cotton the gentleman speaks of is in the surplus carry-over?

Mr. BRAND of Georgia. The Census Bureau has informed me, answering my friend's question, that for the year ending July 31, 1929, there was a carry-over of 2,311,988 bales of cotton, 375,300 bales of which was untenderable. Of this amount 220,100 was untenderable in grade, 74,600 was untenderable in staple, and 80,600 was untenderable in both grade and staple.

I have been told by Mr. Williams, a member of the Federal Farm Board, that within 10 years, due to the introduction of extreme short-staple varieties designed to beat the boll weevil by early maturity and heralded to produce more pounds of lint in proportion to seed than varieties of longer staples, the staple of American cotton has tremendously deteriorated. Ten years ago the amount of cotton nontenderable for staple was approximately 5 per cent of the total crop. This last year it was 30 per cent. In Texas it was 40 per cent. Of the crop of 1928, in South Carolina, 62 per cent was seven-eighths or less; in Georgia, 78 per cent; and in Alabama, 92 per cent. In other words, the United States is to-day producing vastly too great a quantity of staples under seven-eighths, and not nearly enough of fifteen-sixteenths to $1\frac{1}{4}$.

If American cotton, says Mr. Williams, is to regain its supremacy in world markets, such varieties must be planted instead of the nontenderable kinds. The practical result of the planting of these nontenderables is shown by the fact that a few years ago the South was exporting as much as 65 per cent of the total crop. To-day the total exports are only about 47 per cent; yet world consumption is much larger. However, he further stated that the Federal Farm Board felt it better to leave advice concerning varieties of cottonseed to the State colleges and experiment stations.

As I understand the situation in respect of the staple of cotton, which is based, of course, upon the different varieties of cottonseed planted, we have practically no competition, when the staple is between seven-eighths and $1\frac{1}{2}$, from India, South America, and Egypt.

Average staple cotton—short staple—sold in my district last fall at approximately \$3 to \$5 per bale under cotton which was raised from a selected seed and which produced a staple of from fifteen-sixteenths to 1 inch.

Dirt farmers and all others interested in the production of cotton should be able to obtain the different varieties of the proper cottonseed to plant from the county demonstration agents, as these varieties of seed are known to the agricultural colleges and the experiment stations of the various States.

It occurs to me our agricultural colleges, county farm demonstration agents, and others engaged in the campaign of education along agricultural lines can not lay too much stress among our cotton farmers of the importance of producing and planting cottonseed which will produce a staple of not less than seven-eighths nor more than $1\frac{1}{4}$ inches in length. Foreign cotton—that is, cotton produced in India, South America, and other countries with cheap labor—comes in direct competition with cotton produced in this country of less than seven-eighths staple in length. There is a large and increasing demand in the markets of the world for a cotton varying from seven-eighths to $1\frac{1}{4}$ inches in length, and such cotton com-

mands a premium of from \$12 to \$15 per bale over cotton of from only five-eighths to three-fourths inch staple in length.

When the cotton growers of the South, however, grow a staple of from seven-eighths to $1\frac{1}{4}$ inches in length they should be impressed with the importance of having their cotton stapled as well as graded, as it would seem, as a matter of fact, that heretofore the buyers in the South generally have fixed a price on the grade of cotton—that is, color, whether blue, stained, and also whether trashy—without regard to the length of the staple; but when the buyers of cotton factors resell the cotton, especial regard is had as to the length of the staple as well as color and trash, and thus the producer has not been given the advantage he should receive in price on account of the staple being above seven-eighths inch in length.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. WOODRUM. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. BRAND of Georgia. In this connection it is well for the producer to be impressed with the fact that the cooperative cotton marketing associations in selling the cotton of their members not only have facilities for grading the cotton as to color and trash, but also have it stapled and thus ascertain the exact length of the staple before placing it on the market.

Mr. Chairman and gentlemen, in conclusion I want to call your attention to a bill which I introduced on January 16, 1930, copy of which is as follows:

Be it enacted, etc., That any person, partnership, or firm who shall enter into any agreement or contract, oral or in writing, for the purpose of controlling prices of cotton, whether dealing in actual cotton or cotton-futures contracts, and cottonseed, which has the effect of depressing or decreasing the prices of cotton and cottonseed, shall be guilty of a felony.

SEC. 2. That any person or firm who may be convicted of a violation of this act shall be punished in the penitentiary for a term of not less than five years nor more than 10 years.

I introduced this bill because, as I have indicated, the investigations held by the Senate upon the question of cotton-price reduction up to date, so far as my section of the country is concerned, have not had the effect of preventing the merciless enemies of the cotton farmers from conspiring together and running down the price of cotton below the cost of production, which is cruel and fraudulent, and should be made criminal. I therefore think it is high time that Federal grand juries should make investigations of the conduct of men who get together in secret places, behind closed doors, and in the darkness of nights, and agree upon a policy among themselves to depress and decrease the price of cotton. An indictment, conviction, and sentence of a Federal court under such a bill as I have proposed should put a stop to this infamous practice. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. WOODRUM. Mr. Chairman, I yield five minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, I do not desire to unnecessarily consume the time of the committee, but I am very desirous that there should be incorporated in the RECORD for consideration by Members of the House of certain historical facts relative to the Cherokee Indian Nation, all of which are associated with the period during which its capital was located at New Echota, near the confluence of the Conasauga and Coosawattee Rivers, in my district. I have introduced a bill providing for adequately marking the site of this capital. I therefore ask unanimous consent that there may be incorporated in the RECORD in connection with my own remarks a short editorial from the Atlanta Journal, appearing in its issue of February 5, 1930.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

The matter referred to follows:

GEORGIA'S "CHEROKEE NATION"

There is a world of interest in the bill introduced in Congress by Representative TARVER, of the seventh Georgia district, providing for an appropriate monument on the site of the old Indian town of Echota, in Gordon County, where stood the last capital of the Cherokee Nation. A spot so rich in unique and colorful history assuredly merits its memorial.

A century ago, or thereabout, a large portion of the highlands of northwest Georgia was occupied by the Cherokee Indians. They had advanced considerably beyond the hunter stage to that of herdsmen and farmers. As their game grew scarcer from the inroads of white

civilization, they turned to the plow and hoe, even to the loom and spinning wheel, and to divers handicrafts. A commissioner of the United States Government who toured their country in 1829 reported that their progress in agriculture and also in "morality, religion, and general information" astonished him beyond measure. "They had regular preachers in their churches, the use of spirituous liquors was in great degree prohibited, their farms were worked much after the manner of the white people, and were generally in good order." (Quoted in Robert Preston Brooks's *Elementary History of Georgia*.) They published, too, a newspaper of their own, the *Cherokee Phoenix*, printed in the Cherokee alphabet of 80 letters, the invention of that remarkable half-breed Sequoyah. They adopted a constitution, modeled after that of the Federal Republic, and proclaimed themselves one of the world's distinct and sovereign nations.

This assertion of independence did not jibe, of course, with the views and interests of the State of Georgia; wherefore, the legislature passed an act giving the courts of this State jurisdiction over the Cherokee territory. Thereupon, in 1830, the Indians appealed to the Supreme Court of the United States. This case they lost; but a year later, on another issue, the court held that "the Cherokee Nation is a distinct community, occupying its own territory, within boundaries accurately described, in which the laws of Georgia can have no force."

But the President of the United States at that time was Andrew Jackson, "Old Hickory," who had his own unchangeable opinion as to the merits and rights of Indians; and as he refused to enforce the judicial order, it remained a mere letter. As far back as 1802, when Georgia had ceded to the Union her lands west of the Chattahoochee the Federal Government had agreed to remove the Indians from the territory which she retained. This compact was now evoked with vigor, while the Cherokees as vigorously opposed its execution. At length, however, in 1835 one faction of them signed a treaty of removal; but it was not until three years later, and after much bloodshed, that the last of these extraordinary Indians were transplanted to their new home west of the Mississippi.

The capital of their "nation" in Georgia was New Echota, situated at the confluence of the Conasauga and the Coosawatee Rivers. Though its population in its latter days scarcely exceeded 300, while the Cherokee numbered, all told, fewer than 15,000, it was nevertheless a center of high aspirations and of rare history. By all means its site should be fittingly marked by the National Government and its romantic story handed down.

Mr. TARVER. In support of the bill referred to, H. R. 9444, "To authorize the erection of a marker upon the site of New Echota, capital of the Cherokee Indians prior to their removal west of the Mississippi River, to commemorate its location and events connected with its history," I wish to present a few salient facts which show New Echota to be rich in historic interest and a pivotal point around which revolved many important occurrences leading up to the final removal of the Cherokees from Georgia.

New Echota was located at the junction of Conasauga and Coosawatee Rivers a few miles above the present Calhoun, Ga. (Authority: 19th Rept. U. S. Bureau of Ethnology, p. 107, 1st par.)

To settle differences arising out of the treaty of 1817, the Cherokee Nation offered, by treaty concluded in Washington, February 27, 1819, to cede certain lands to the United States and retain individual reservations of 1 mile square each within the ceded area for a number of Indian families who decided to remain among the whites rather than abandon their homes. Civilization had now progressed so far among the Cherokees that in the fall of 1820 they adopted a republican form of government modeled after that of the United States, and New Echota was named the capital. The distinguished John Ross was the first president. (19th Rept. Bureau of Ethnology, p. 106, 3d par.; p. 107, 1st par.)

Sequoyah, a Cherokee Indian, in 1821 invented the Cherokee Indian alphabet. The syllabary was recognized as a valuable invention, and in a few months thousands of theretofore illiterate Cherokees were able to read and write. The alphabet had an immediate and wonderful effect upon Cherokee development. Plans were made for a national press, with national library and museum to be established at New Echota. (19th Rept. U. S. Bureau of Ethnology, p. 110.)

In 1828 press and types arrived at New Echota, and the initial number of the first Indian newspaper, the *Cherokee Phoenix*, appeared printed in both Cherokee and English. Elias Boudinot, an educated Cherokee, who married Harriet Gold, of Cornwall, Conn., was the editor. The office was a log house. The paper was distributed free by the tribal government, the only instance of the kind in history. 19th Rept. U. S. Bureau of Ethnology, p. 111.)

The cemetery to the southeast of New Echota contains the marked grave of Harriet Gold Boudinot, wife of Elias Boudinot. A picture of this grave is being submitted to the committee. The grave of Chief Pathkiller, inclosed in stone, is also near.

Simultaneously with establishing a national press the Cherokee Nation in convention at New Echota adopted a national constitution, and, because of its system of home industries and home education, was considered a civilized nation. (19th Rept. U. S. Bureau of Ethnology, p. 112.)

The correspondence from the United States commissions in charge of Indian affairs in Georgia, to the Commissioner of Indian Affairs at Washington and to the Governor of Georgia, and others, relative to the treaty of 1835, during the administrations of President Andrew Jackson and Martin Van Buren bore the date line "New Echota." (Removal of the Cherokee Indians from Georgia, by Wilson Lumpkin, pp. 35-165.)

The proposed expatriation of the Cherokees, and particularly the treaty entered into by the Cherokee Nation and the United States Government, aroused John Ross and caused him to make a number of trips to Washington. He also engaged in much correspondence in which he expressed the injustice being done the Indians. During these days of unrest John Howard Payne, author of *Home, Sweet Home*, visited John Ross, and for his sympathetic interest in the problems of the Indians was imprisoned at the Chief Vann House, at Spring Place, Ga., then an Indian mission, just a few miles to the north of New Echota. Elias Boudinot's home and the old blockhouse are still standing.

On December 29, 1835, a treaty was negotiated with the Cherokee Indians at New Nokota, under which the whole remaining Cherokee territory east of the Mississippi was ceded to the United States for the sum of \$5,000,000 and a common joint interest in the lands already occupied by the Western Cherokees in what is now Oklahoma, with an additional smaller tract in what is now Kansas.

The removal of the Indians was to be had at the expense of the Government, the Government also to furnish subsistence for them for one year after their arrival in the new country. The treaty occasioned great dissatisfaction among the Indians, who insisted that the great majority of them did not agree to it and that those who did were bribed. However, under it, in the year 1838, the removal of the entire nation to its new territory was accomplished under the direction of Gen. Winfield Scott.

The nation at that time consisted of approximately 20,000 people. (This entire statement is based upon the authority of the Nineteenth Annual Report of the Bureau of Ethnology to the Secretary of the Smithsonian Institution, pt. 1.)

Mr. TARVER. Mr. Chairman, I yield back the balance of my time.

Mr. WASON. Mr. Chairman, I yield 30 minutes to the gentleman from Ohio [Mr. CHALMERS].

STABILIZATION OF THE GREAT LAKES WATER LEVELS

Mr. CHALMERS. Mr. Chairman, I want to call the attention of the Members of the House to a bill I introduced to-day to provide for and authorize the construction of compensating works in the St. Clair River and contraction works in the Niagara River and for the repair and preservation of certain public works on rivers and harbors, and for other purposes.

The bill is short and reads as follows:

Be it enacted, etc., That the following works of improvement are hereby adopted and authorized to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers in accordance with the plans recommended in the report hereinafter designated, provided consent thereto is first given by the Dominion of Canada.

Compensation works in the St. Clair River and contraction works in the Niagara River in accordance with the recommendation of the Chief of Engineers in House Document No. 253, Seventieth Congress, first session.

I have introduced this bill as a separate resolution so that it may be referred to the State Departments of the United States and Canada and receive their indorsement and approval and then be embodied in the general rivers and harbors bill about to be submitted to the Congress.

My bill, H. R. 8510, first session of the Sixty-ninth Congress, provides for ship channels 25 feet deep at low-water datum for Lake Erie, Lake St. Clair, Lake Huron, Lake Superior, and Lake Michigan. This project was included in the general rivers and harbors bill submitted to the Seventieth Congress and which was not pressed for passage because of an Executive request. The rivers and harbors bill of the Seventieth Congress will form the basis of the new bill to be soon introduced into this Congress. Several projects will be added. The paragraph in the general bill embodying the provisions of H. R. 8510 provides for a loading depth in the connecting channels of the Great Lakes of 24 feet. A loading channel of 24 feet requires the construction of a channel 26 feet in soft bottom and 27 feet in rock bottom portions of the channels and 28 feet in rock-bottom sections affected by disturbances. The 2 additional

feet are required for safety in that a loaded vessel has what the shipmasters call a "squat" or draw down of approximately 1 foot when the loaded vessel is in full speed. This leaves 1 foot in the clear between the boat's bottom and the surface of the channel.

The special board appointed to study this whole problem has recommended this project. In submitting that recommendation to the Chief of Engineers General Deakne says that the cost of transporting freight on the bulk carriers of the Great Lakes is cheaper than that of any other inland transportation for equal haul in the world. Freight rates are from one-seventh to one-tenth of the rates per ton-mile for similar transportation on the railroads of the country.

Compensating works in the Niagara and St. Clair Rivers plan to raise the level of Lake Erie seven-tenths of a foot and of Lakes Huron and Michigan by 1 foot, were presented in the report of the joint board of engineers on the St. Lawrence waterway, dated November 16, 1926. These plans were unanimously agreed upon by the engineers representing the United States and Canada, and no change in the designs drawn by these international engineers was recommended by the general board.

The works proposed in the Niagara River are located just above the contracted section at Fort Erie, and in effect merely prolong the contracted reach. A longitudinal dike, approximately 2,300 feet in length, with crest 4 feet above datum, is to be constructed to secure the required contraction. It is to be connected at its upstream end with the Canadian shore by a weir with its crest slightly below low-water level, which will force practically all of the river flow through the contraction when the lake level is low and a less proportion when the lake level is high. The section of the river east of the proposed longitudinal dike is contracted further by the construction of four rough-stone submerged sills, 400 to 500 feet apart, extending across the deep-water portion of the section. The crests of these sills are to be 13.8 feet below low-water datum.

These structures will not materially interfere with free passage of ice nor with such light-draft navigation as follows the river instead of using the Black Rock Canal. It is estimated that these contraction works provided in this bill will raise the low levels of Lake Erie about 8 inches and the high levels about 7 inches.

The compensating works proposed in this bill to be constructed in the St. Clair River are a series of submerged rock sills with crests 31 feet below the datum plain. The approximate locations of the sills, which were computed as necessary to raise the levels of Lakes Michigan and Huron, and the back-water effect of the works in the Niagara River, will bring about the desired result and will raise the level of these two lakes about 12 inches. To avoid any substantial reduction in the water supply to the lower lakes and the St. Lawrence River the construction of these works should be spread over a period of four years and should be suspended entirely during extreme low-water periods.

When the Secretary of War, the late John W. Weeks, issued a permit to the Sanitary District of Chicago to divert, temporarily, not to exceed an annual average of 8,500 cubic feet per second from Lake Michigan, he included in his permit this paragraph:

That the sanitary district shall pay its share of the cost of regulating or compensating works to restore the lake levels or compensate for the lowering of the Great Lakes system, if and when constructed, and post a guaranty in the way of a bond or certified check in the amount of \$1,000,000 as an evidence of its good faith in the matter.

This bond was posted by the sanitary district and is still retained under the temporary permit recently issued by Secretary of War Patrick J. Hurley, authorizing the Sanitary District of Chicago to continue the withdrawal of 8,500 second-feet until the Supreme Court shall have acted upon the recommendation of Master in Chancery Charles Evans Hughes, in the merged cases of Wisconsin and Michigan against the sanitary district, with seven other States of the Union entering into this litigation as petitioners and defendants.

The Joint Board of Engineers for the St. Lawrence Waterway fixed the amount of the cost of constructing the works provided for in this bill to be paid by the sanitary district because of the diversion of water at Chicago as \$1,750,000. Since the estimated cost of the construction of these works amounts to \$3,400,000 this would leave \$1,650,000 of the cost to be borne by the United States. The joint board of engineers advises further that should the diversion at Chicago be changed before the compensating works are constructed, the amount chargeable to the sanitary district should be readjusted. Such readjustment would not, however, materially affect the cost to the United States of the works required to compensate for other causes.

Deeper channels will be of great benefit to the general public in eventually reducing the cost that will soon be reflected in reduced rates. They will relegate to the scrap heap the smaller vessels and ships that can not be operated with the greatest efficiency. Transportation on the Great Lakes is the greatest factor for the development and commercial success of the United States. The Great Lakes materially assisted in giving to America her enviable position as the world leader. The report of the Chief of Engineers now in press shows that the Great Lakes handled last year 270,000,000 tons of freight. The special board as quoted above reports that this freight is handled on the Great Lakes at one-tenth the cost by rail. Inasmuch as the average haul on the Great Lakes is more than 800 miles, with the quantity of freight handled there you will readily see that the value of transportation on the Great Lakes runs into more than a billion of dollars per year.

Mr. HOGG. Will the gentleman yield?

Mr. CHALMERS. I yield to the gentleman.

Mr. HOGG. I would like to say, by way of preface, I believe it is the consensus of opinion of the House that the gentleman is an authority on the subject upon which he is now speaking, and I would like to ask the gentleman who has made an examination of the question of costs himself, whether he believes the profits to be derived from the expenditure of money referred to will justify such an expenditure?

Mr. CHALMERS. Mr. Chairman, I would say to the gentleman from Indiana that that is a fair question and an intelligent question, the kind of question the gentleman always asks. Would it pay to spend \$3,400,000 for these contraction and regulatory works to save \$6,000,000 a year in transportation? This is the question the gentleman is asking.

We have shown here on the recommendation of the engineers that the regulatory works in the St. Clair River, with the back flow from the contraction works in the Niagara River, will raise the level of Michigan-Huron—beautiful, blue-eyed Lake Michigan, that horseshoe of luck that the Creator hung on the northern boundary of the greatest Republic in the world [applause]; the horseshoe of luck bringing good cheer and prosperity to his chosen people—and the contraction work as we have shown in the St. Clair River will raise the level of this water, which is really one lake—Lake Michigan and Lake Huron—one water level because of the wide connecting channels between the two, 12 inches; and I showed you three years ago, when I was talking about the diversion of water at Chicago, that every inch means annually a saving to the transportation interests of the Great Lakes of one-half million dollars. This has been worked out systematically and is based on the study of 367 lake vessels, freighters, handling cargo on the lake, indicating if they could have loaded to a greater depth that the earnings would show that every inch of water added to the levels of these two lakes would mean an annual saving of \$500,000.

When we raise the levels 1 foot there is an annual saving of \$6,000,000, and the whole works, including the works recommended for the St. Clair River for Michigan-Huron and the works recommended for the Niagara River, show that they will raise the level of Michigan-Huron 12 inches, and therefore save the shipping interests of the Great Lakes \$6,000,000 a year, at a capital cost, or an original cost, of \$3,400,000, to be borne by the Sanitary District of Chicago and the United States of America. As a member of the Committee on Rivers and Harbors and a man who fought the withdrawal of water from Lake Michigan here on the floor nearly four years ago, I sometimes think that I will throw my influence against allowing the Sanitary District of Chicago to contribute any part toward the building of these regulatory and contraction works.

Mr. SHREVE. Will the gentleman yield?

Mr. CHALMERS. I will be pleased to yield to the gentleman from Pennsylvania.

Mr. SHREVE. I just desire to ask the gentleman a question. Living on the Great Lakes, as I do, I am very much in sympathy with the gentleman's proposition. I realize what it means to shipping on the Great Lakes. I would like to ask the gentleman just what his plans are for raising the water in Lake Erie.

Mr. CHALMERS. I will say to the gentleman that my argument shows we are going to build, when this bill is passed and becomes a law, contraction works in the Niagara River, and these contraction works that will cost \$700,000 will raise the water level of Lake Erie 7 inches, and this would mean to the shipping interests a saving of \$3,500,000 a year.

Mr. CULKIN. Will the gentleman yield?

Mr. CHALMERS. I will yield to my colleague on my committee.

Mr. CULKIN. Will the gentleman say what he proposes to do with the indigo waters of Lake Ontario?

Mr. CHALMERS. Well, that is a large question, one that I can not handle in the time left.

Mr. CULKIN. The gentleman knows that next year the larger Welland Canal will be opened and the big boats will go into Lake Ontario, so it is important that this question should be considered.

Mr. CHALMERS. I will say to my friend, who is on the Rivers and Harbors Committee, that I hope within a reasonable time the St. Lawrence waterway will be built and put into operation, and the plans provide for a dam in the St. Lawrence River 113 miles below the head of the St. Lawrence, where it flows out from Lake Ontario, where it receives every second over 41,000 second-feet of water, and that this dam, drowning out the first rapids of the St. Lawrence, will hold the water level of Lake Ontario.

Mr. LAGUARDIA. Will the gentleman yield? Will the gentleman kindly give his authority for that statement, and tell us how near that will be in the future?

Mr. CHALMERS. Yes; they would like to know in the great city of New York.

Mr. LAGUARDIA. And all over the country.

Mr. CHALMERS. I have not time to talk about that to-day. It is going to be built, I will say to my friend from New York, that it will be built within a reasonable time. Within the last 14 days, yes, and even within the next few weeks, some of the misunderstandings and troubles and difficulties may be ironed out, and I hope in the near future, within the gentleman's service here in the House, the St. Lawrence project will be built.

Mr. LAGUARDIA. That is very encouraging. [Laughter.] The gentleman from Ohio is not only ambitious but optimistic.

Mr. CHALMERS. And friendly as well. I know there seems to be a feeling in the gentleman's home town that if we should open up this great blessing to humanity, the St. Lawrence waterway, New York City would lose prestige.

Mr. LAGUARDIA. That is impossible.

Mr. CHALMERS. The St. Lawrence waterway will bring encouragement and prosperity to New York City as well as to every other city and section of the country. There is no doubt about that. However, that is not my subject to-day.

Mr. SLOAN. Will the gentleman yield?

Mr. CHALMERS. I yield.

Mr. SLOAN. I notice the gentleman is leaving alone the village on the Hudson and also relieving the town of Chicago from contributing a part of the expenses. Why not permit the sanitary district to make that payment?

Mr. CHALMERS. Unfortunately we did not have the gentleman's valuable help and experience in that great fight we had here in May, 1926. I know he would have helped if he had been here. The gentleman knows, if he reads the *Record*, how we all fought at that time. Of course, we won, not in this body but in the body at the other end of the Capitol. But it just seems as though if we took money from Chicago because of the water they take out of the Great Lakes it would be too much like "blood money." That is why I feel opposed to it. It may be worked out, and they may make the payment, but I feel that way about it.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. CHALMERS. I yield to the gentleman.

Mr. WAINWRIGHT. What is the use of talking about the St. Lawrence waterway until the Canadian people show some enthusiasm about it? They are not going to permit us to build it through their territory and they show no disposition to cooperate.

Mr. CHALMERS. There are 28 States in the Union that are landlocked, that have not this natural birthright, an outlet to the sea, whose people are not only talking about it now but are going to talk about it in the future and fight for it until it comes to pass. I referred to the fact that within the last two weeks conferences have been held, but I am not authorized to state what they did.

Mr. LAGUARDIA. In that section you want to get engineers of ability and financing.

Mr. CHALMERS. I will say that there is no question about that. The St. Lawrence waterway is the simplest engineering proposition in the world. It requires an international agreement that has not yet been worked out.

Mr. GREEN. Will the gentleman yield?

Mr. CHALMERS. I yield.

Mr. GREEN. I am very much interested and appreciate the gentleman's discussion; but I would like to know if the gentleman has given any study to the intercoastal waterway across the State of Florida? We are anxious for that canal.

Mr. CHALMERS. I have given some thought and study to it, and have voted for some of these projects in committee, and I expect to be friendly in the future, but I can not touch upon that subject to-day.

Mr. KNUTSON. Will the gentleman yield? Is it not a fact that the St. Lawrence waterway will cost one-third less than an all-American route?

Mr. CHALMERS. That is true. The gentleman answers his own question.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. CHALMERS. Yes.

Mr. DENISON. I agree with the gentleman from Ohio, and the people from Illinois will join with him and others in helping to bring about this great project.

Mr. CHALMERS. I thank the gentleman. I am very much in earnest about this water transportation on the Great Lakes. As an engineer has said, it costs ten times as much to transport freight upon the railroads as it does on the Great Lakes. How much freight have we handled on the Great Lakes since last year? The report is not yet out, but I think it is signed by our former colleague the late Secretary of War, Mr. Good, and it will be public soon. We handled on the Great Lakes last year 270,000,000 tons of freight, and the average haul of each ton was over 800 miles. Figure it out for yourself—800 miles for each ton, and each mile a ton-mile, 270,000,000 of them. It costs ten times as much to carry that freight on the railroad as it does on the Great Lakes. What is the transportation on the Great Lakes worth to this country? It is the greatest factor in the success and present standing of the United States of America among the nations of the world. There is no doubt about that. Just after the fight we had on this Chicago diversion three years ago I took a trip around the world.

Mrs. Chalmers and I sailed from Manila on the *President Garfield* and we were held up four days in Singapore in order to load 5,000 tons of freight—4 days, 96 hours. The Tamils were working in shifts 24 hours a day, garbed only in head cloths and loin cloths, and it took them four days to load 5,000 tons of freight, working night and day. Come to Toledo and I will show you how they load 5,000 tons of freight there in 20 minutes. Go up to the district of our colleague, Mr. PITTENGER, in Minnesota, and you will see them load, as they have loaded there, 12,238 tons of freight in 16½ minutes, and a few days later unloaded in the district of my friend, Mr. COOPER of Ohio, in 3 hours and 5 minutes—a world's record. There is nothing in the world that can touch the efficiency of freight handling on the Great Lakes. In hauling hundreds of millions of tons of freight in the last 25 years we have handled it at a cost of less than a mill per ton-mile.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. CHALMERS. Yes.

Mr. WOODRUFF. I remind the gentleman of certain testimony given to the committee of which he is a member, the Committee on Rivers and Harbors, by a gentleman from Buffalo, who owns and operates approximately one-tenth of all the shipping on the Great Lakes, to the effect that he can ship a cargo of coal at an Ohio port and deliver it, for instance, to my home in Bay City, Mich., for 35 cents a ton, and we are now paying something like \$3.50 per ton to have that same coal shipped into my city from Ohio points by railroad.

Mr. CHALMERS. That is correct. That fact came out in the hearings when the gentleman asked for a new project, which is coming out in the next rivers and harbors bill. I am afraid that this matter of ton-mileage and cost of transporting it does not get over to all of you. I see the chairman of the great Committee on Interstate and Foreign Commerce here, the gentleman from New York [Mr. PARKER]. He has made a study of transportation. Let me take a simple illustration. Step out in front of the Capitol steps in the circular safety zone and imagine there is piled up there 10 tons of anthracite coal, and that some one wants to have it taken down on Pennsylvania Avenue and placed in the basement of the Post Office Department building, 1 mile distant. Go out and get a drayman to give a bid on that job of loading the 10 tons and hauling it a mile and unloading it and putting it in the basement of the Post Office Department, and you will then know that that charge will run into real money. Let me tell you what we have done on the Great Lakes. We have taken this contract for the last 25 years and handled millions of tons at a little less than 1 mill a ton-mile, which will be a little less than 1 cent for loading the 10 tons and drawing it a mile and unloading it. That shows you what the Great Lakes are worth to this country.

Go back in your minds through the history of the world, the authentic history of 3,000 to 5,000 years, and there is nothing in all of that time to compare with it. In that trip around the world we stopped at various places, at Penang, Colombo, Ceylon, and through India; and I saw them farming in India just as they farmed away back in the days of Abraham, Isaac, and Jacob, plowing with a crooked stick drawn by a cow. I saw them irrigating their rice fields by drawing

buckets of water out of a well and pouring it into ditches. Of efficiency they know nothing, and I say to you that the United States of America for the past 50 years has accumulated more wealth, national and personal, than all of the peoples of the world back through all the history, all nations and peoples of the earth. It is American efficiency that I am talking about to-day, and the very highest kind of efficiency in this great Republic of ours is transportation on the Great Lakes. So that we are working for the Great Lakes and fighting for them, and this bill which I introduced to-day is going to hold the water levels of the Great Lakes and it will appear with the consent of Canada in the rivers and harbors bill of the present Congress. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Chairman, I have asked for this time to say something about the National Advisory Committee for Aeronautics. Everyone is interested in aviation and its possibilities as an instrument of national defense and commercial progress. It may not be known to Members of the Congress that within a few hours' ride of the National Capital, whether by steamboat, by train, or by motor, there exists a Government agency that is doing more than any other institution in America for the development of aviation and for the improvement of its instrumentalities.

I refer to the National Advisory Committee for Aeronautics, established by act of Congress approved March 3, 1915. This committee is charged with the supervision and direction of the scientific study of the problems of flight with a view to their practical solution, the determination of problems which should be experimentally attacked, and their investigation and application to practical questions of aeronautics.

By an act passed in 1926, there was created a Patent and Designs Board charged with the duty of determining questions as to the use and value to the Government of aeronautical inventions submitted to any branch of the Government. That legislation required that designs which were submitted to the board should be referred to the National Advisory Committee for Aeronautics for its recommendation. The result of this legislation has been to place upon the committee the duty of considering in behalf of the Government all aeronautical inventions and designs submitted.

This committee consists of 15 members, appointed by the President, as follows: Two members from the War Department, from the office in charge of military aeronautics; two members from the Navy Department, from the office in charge of naval aeronautics; a representative each of the Smithsonian Institution, the United States Weather Bureau, and the United States Bureau of Standards; and not more than eight additional persons acquainted with the needs of aeronautical science, either civil or military, or skilled in aeronautical engineering or its allied sciences. All members serve without compensation.

The committee at the close of the past year was composed of distinguished personnel, as follows:

Joseph S. Ames, Ph. D., chairman, president of Johns Hopkins University, Baltimore, Md.

David W. Taylor, D. Eng., vice chairman, Washington, D. C.
Charles G. Abbott, Sc. D., secretary of the Smithsonian Institution.

George K. Burgess, Sc. D., Director of the Bureau of Standards.

William F. Durand, Ph. D., professor emeritus of mechanical engineering, Stanford University, California.

Maj. Gen. James E. Fechet, United States Army, Chief of the Air Corps.

Brig. Gen. Benjamin D. Foulois, United States Army, Chief of the matériel division, Air Corps.

Harry F. Guggenheim, M. A., president of the Daniel Guggenheim Fund for the Promotion of Aeronautics.

William P. MacCracken, Jr., Ph. B., New York City.
Charles F. Marvin, M. E., Chief of the Weather Bureau.

Rear Admiral William A. Moffett, United States Navy, Chief of the Bureau of Aeronautics, Navy Department.

S. W. Stratton, Sc. D., president of the Massachusetts Institute of Technology, Cambridge, Mass.

Commander John H. Towers, United States Navy, Assistant Chief of the Bureau of Aeronautics, Navy Department.

Edward P. Warner, M. S., editor of Aviation.
Orville Wright, Sc. D., Dayton, Ohio.

Some understanding of the scope of the work of this committee may be obtained from a mere statement of the standing committees and their subcommittees.

The standing committees are on the following subjects: Aerodynamics, power plants for aircraft, materials for aircraft,

problems of air navigation, aircraft accidents, aeronautical inventions and designs, publications and intelligence, personnel, buildings and equipment, and governmental relations.

These standing committees are broken up into subcommittees on airships, aeronautical research in universities, on metals, on woods and glues, on coverings, dopes and protective coatings, on aircraft structures, on problems of communication, on instruments, and on meteorological problems.

The committee maintains and operates at Langley Field, Hampton, Va., the Langley Memorial Aeronautical Laboratory. This laboratory is organized with six divisions. They are aerodynamics division, power-plants division, technical-service division, flight-operations division, property and clerical division, and hydrodynamics division.

There are in existence at the laboratory a research laboratory building containing administrative offices, technical library, photographic laboratory, and headquarters of the various divisions; an atmospheric wind tunnel containing a 5-foot wind tunnel of standard type with a closed throat, and a refrigerated wind tunnel with an open throat diameter of 6 inches for the investigation of ice formation on aircraft; a variable-density wind-tunnel building housing the variable-density wind tunnel; two engine dynamometer laboratories of a semipermanent type equipped to carry on investigations in connection with power plants for aircraft; a service building containing an instrument laboratory, drafting room, machine shop, woodworking shop and storeroom, a propeller research tunnel in which tests may be made in a 20-foot air stream at 100 miles per hour, with equipment which permits the full-scale testing of propellers, fusilages, and landing gears, and an airplane hangar with a repair shop and facilities for taking care of airplanes used in flight research.

The committee has a special committee for the study of aircraft accidents and has been giving especial attention to methods for their prevention.

It would be impracticable within the limits of time at my disposal to undertake a detailed review of all of the activities of the committee. The committee is seeking through the interchange of ideas to improve the courses in aeronautical engineering and to promote the study of aeronautics and aerology in educational institutions; to consider problems of atmospheric structure as affecting airship operation, particularly vertical air currents and gustiness, and meteorological problems.

The underlying causes of accidents are being examined. The committee in its fifteenth annual report, which is a most interesting and instructive document, says:

The National Advisory Committee for Aeronautics has always recognized the importance of the problem of safety in flight, and a large part of the work of the laboratory has been devoted to its various phases, such as spinning, stability, controllability, maneuverability, ice formation on aircraft, structural safety, landing, and piloting under adverse weather conditions.

Some idea of the work which is being done at the Langley Field laboratory may be gotten from the statement that a study has been made in the atmospheric wind tunnel of the effectiveness of different types of ailerons, particularly from the standpoint of stalled flight and the spin, and it is planned in the near future to conduct flight tests on a special monoplane arranged for convenient changing of the wings, ailerons, and tail surfaces.

Another instance appears in the study that has been made of the formation of ice on aircraft which for a long time has been regarded as an element of danger.

Flight tests have been conducted in order to study the formation of ice under a variety of weather conditions, such as fog, rain, and sleet. Photographs were made of the ice deposits on wings, wires, and struts. In several instances ice formation was obtained on the propellers. A small refrigerated wind tunnel for studying the problems of ice formations has been in operation during the year, and the subject has received considerable study, with the result that while the possibility of using protective coating on aircraft structures to prevent the formation of ice has produced negative results mainly, yet it has been found that glucose, corn sirup, and some similar substances in solid or semisolid form, and certain liquids, as a mixture of glycerin and alcohol, do have some effect in preventing the formation of ice.

Especial attention is being given the subject of structural safety, and an observation airplane is being prepared for a complete pressure-distribution investigation over the wings and tail surfaces, while a second airplane is being arranged for an investigation of the leads on wing tips of various plane forms. An investigation has been conducted on a twin-float seaplane to determine the distribution of water pressure over the bottom. Conditions of landing, take-off, and taxiing have been covered.

In the propeller research tunnel it has been possible to investigate a number of questions relating to the efficiency of propellers under various conditions of operation.

This committee reports that the major problems contemplated or now under investigation are concerned with some phase of the general subject of safety in flight, the most important studies being those in spinning, low-speed control, stability, and load distribution under various conditions of flight.

As Doctor Ames well said in his testimony before this committee of Congress, the National Advisory Committee for Aeronautics holds itself at the service of any department or agency of the Government interested in aeronautics for the furnishing of information or assistance in regard to scientific or technical matters relating to aeronautics, and in particular for the investigation and study of fundamental problems suggested by the War, Navy, or Commerce Departments with a view to their practical solution.

The committee keeps advised of the progress in research and experimental work in aeronautics in all parts of the world, particularly in England, France, Germany, and Italy.

The committee thus becomes a reservoir of information for military and naval air organizations and other branches of the Government. Such of the information as is not confidential is immediately released to university laboratories and aircraft manufacturers interested in the study of specific problems. Information not confidential is also given to the public.

The new seaplane channel which is to be built will be 2,000 feet long, and the equipment is for the purpose of investigating the characteristics of seaplane boats and floats. At present there is no satisfactory equipment in this country for investigation of the taking-off and landing properties of seaplanes.

There is also under construction a wind tunnel for the testing of full-sized airplanes under various conditions, and with this equipment the committee expects to be able to work out many problems of control at low speed.

When the hearings were had it was stated that it is the purpose of the committee this year, as it has done for several years past, to make a more complete study of the causes of spins. They are taking up systematically the many elements which enter into spins. The witness said that one of the most important factors to be studied was the effect of the distribution of the mass or weight of the airplane, and the committee had developed an apparatus for measuring accurately the mass distribution of a full-sized airplane. It is at present equipping an airplane which has good spinning characteristics with small boxes in the wing tips and at the tail, the boxes to be filled with lead shot, so that the mass distribution can be changed. The boxes filled with the shot are fitted with trapdoors which are controlled by the pilot, so that the shot from any one box can be released. The pilot then puts the airplane with the changed mass distribution into a spin and determines by this means just what mass distribution changes the spinning characteristics of the airplane from a satisfactory to an unsatisfactory spin.

If the change in mass distribution results in a dangerous or flat spin, the shot in the boxes can be released and the airplane will return to its normal condition of mass distribution, in which a recovery can be made from the spin. The object of this investigation is to obtain information which will make it possible for the designer to determine in preparing his design whether the spinning characteristics will be satisfactory without having to build the airplane to find out that it has a dangerous spinning characteristic.

It may be said in speaking of the propeller research tunnel that it is the largest wind tunnel in the world at the present time.

It is also interesting to know that since the war the trend in the laboratory at Langley Field has been more and more toward the study of commercial problems, although during the first years of the laboratory's work it was devoted almost entirely to investigations connected with the development of Army and Navy aircraft. It is said that more recently a larger proportion of the work of the advisory committee has been determined by the needs of commercial aviation so that the type of problem undertaken and the purpose of the investigation has shifted in many cases from the military side to the commercial side.

The location of the laboratories and plant of the National Advisory Committee on Aeronautics is ideal, for the laboratory is located on a flying field so that the committee has at its disposition airplanes both bought and borrowed. In this way the conclusions from investigations in the wind tunnels can be tested out with the actual airplanes in flight. If the committee wants to find out whether a new piece of apparatus will work properly or whether a new design will function, the committee has its own flight facilities in which they can do the testing without

any delay and by its own men. This is of immense advantage and especially when in addition there is the proper correlation between laboratory and flight research.

In other countries the laboratories are in one place and the flying fields some distance away. The result then is that when a man gets a new idea he must submit his design to higher authorities. If approved it must be sent somewhere else to be tested out by men who are less enthusiastic in its development.

The remarkable progress made in aviation in America is shown by the official estimates of the Department of Commerce and shown in the hearings in this bill as of November 1, 1929. Their estimates show that operating companies in the United States have developed scheduled air-transport services which fly approximately 82,000 miles daily; that there are 170 different types of airplanes licensed by the Department of Commerce, including 12 types having two or more engines; that there are approximately 9,300 licensed or identified civil aircraft in the United States; that there are 35,000 miles of airways of which approximately 12,500 miles are lighted for night flying; that mail carried by aircraft has increased tenfold since 1926 to an estimated total for 1929 of 8,000,000 pounds; that paying passengers have increased from 8,000 in 1926 to 85,000 in 1929; that there are now 1,520 airports and landing fields and over 1,200 proposed; that 8,000 civilian pilots' licenses and 28,000 pilot-student permits have been issued.

The National Advisory Committee for Aeronautics is doing a remarkable work in helping to solve the problems of aviation. The men connected with the committee are enthusiastic and intelligent. They are awake to the problems that must be solved, and they are devoting their best energies and talents to their solution. I have been to their laboratories and workshops and have seen the enthusiasm and intelligence with which they attack their problems. When the questions which now prove troublesome shall have been answered, these men will have constituted a wonderful part in finding the correct answer to these questions. I hope that Members of the House will find it convenient to visit the laboratory and plant of this remarkable agency of the Government and learn at first hand the work that is being done. Langley Field is near Hampton and but a short distance from Fortress Monroe. Members can easily make the trip by motor, by train, or by boat, or they can make the trip even more quickly by plane. I can assure them that if they will but go to the laboratory, workshop, and plant of this activity of the Government they will feel amply repaid. They will be more enthusiastic over the future of aviation, and they will leave the plant with renewed confidence in the ability of our American people to solve any problem presented to them, however difficult that problem may be. [Applause.]

MR. WOODRUM. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. GLOVER].

MR. GLOVER. Mr. Chairman, ladies, and gentlemen, we now have before us for consideration a bill making appropriations to the Executive Office and other offices, including the Federal Farm Board recently created by this Congress. I want in the time allotted to me to discuss some of the things accomplished by this board up to this time and some of the things it may accomplish if the power given it under this bill is put in use by it. The success or failure of the law depends upon the Farm Board and how they use the power given them.

The first section of the farm bill declares the policy of Congress in passing this act in no mistakable terms, and we deem it proper at this time to quote that section in full.

DECLARATION OF POLICY

SECTION 1. (a) That it is hereby declared to be the policy of Congress to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, so that the industry of agriculture will be placed on a basis of economic equality with other industries, and to that end to protect, control, and stabilize the currents of interstate and foreign commerce in the marketing of agricultural commodities and their food products—

- (1) By minimizing speculation.
- (2) By preventing inefficient and wasteful methods of distribution.
- (3) By encouraging the organization of producers into effective associations or corporations under their own control for greater unity of effort in marketing and by promoting the establishment and financing of a farm marketing system of producer-owned and producer-controlled cooperative associations and other agencies.
- (4) By aiding in preventing and controlling surpluses in any agricultural commodity, through orderly production and distribution, so as to maintain advantageous domestic markets and prevent such surpluses from causing undue and excessive fluctuations or depressions in prices for the commodity.

(b) There shall be considered as a surplus for the purposes of this act any seasonal or year's total surplus, produced in the United States and either local or national in extent, that is in excess of the require-

ments for the orderly distribution of the agricultural commodity or is in excess of the domestic requirements for such commodity.

(c) The Federal Farm Board shall execute the powers vested in it by this act only in such manner as will, in the judgment of the board, aid to the fullest practicable extent in carrying out the policy above declared.

I want to confine my remarks in this discussion to the marketing of the world's largest crop produced, which is cotton. I know from personal experience the toil and the expense that is required to produce a bale of cotton. I have prepared the ground, planted the seed, hoed the cotton, picked it, ginned and sold it, and I think I know what it costs to produce it. I say advisedly that cotton can not be grown under present conditions for less than 20 to 25 cents per pound. The farmer is now selling his cotton at a cost far below the cost of production. It has reached the absurd figure of 15.08 cents per pound, which is more than \$20 a bale below the level which the board said was too cheap and which every farmer who grows it knows is true.

I do not want to be understood as at all criticizing the Farm Board, but what I shall say is in the hope that it may stimulate them to immediate action to save the cotton farmers of the South. I supported the farm bill, and I have great hope that it will accomplish the purpose that it was intended for, and that is to benefit the agricultural conditions that now exist.

Let us now analyze the first section of the bill and see what Congress expected of the board in the passage of this act:

SECTION 1. That it is hereby declared to be the policy of Congress to promote the effective merchandising of agricultural commodities in interstate and foreign commerce, so that the industry of agriculture will be placed on a basis of economic equality with other industries, and to that end to protect, control, and stabilize the currents of interstate and foreign commerce in the marketing of agricultural commodities and their food products.

Placing agriculture on a basis of economic equality with other industries is to be its purpose as expressed. When that one purpose is accomplished the board will have rendered the best service to the cotton farmer and other farmers that he has ever received. Congress in the passage of this act recognized that farming was not on an economic equality with other industries and set up the plan in this bill, if followed by the board, that will put the farmer on that basis.

Other industries are now prospering. They are not only getting the cost that they put into their business back but they are getting a nice interest on their investment and a handsome profit above that, and the farmer is entitled to the same.

It was once said that if a man did not have money enough to do anything else he could go into the farming business and get by with it and make a success. If that day ever existed, it is not true now. Farming has become more expensive. The price of land is high, the price of stock to cultivate it is high, the building material for the home is high, the farm implements, on account of the high tariff and speculation on them, are high, the fertilizer is high, improvement taxes are being piled upon him, the articles of manufacture that he has to buy for his family have increased about double what they were a few years back, and the purchasing power of his dollar is less than half what it was a few years ago, and, in fact, cotton farming is expensive and unless the farmer who raises it gets a fair price he can not exist and continue. He is entitled to a price now that would meet this condition that I have just detailed. He should have the cost that he puts out in producing it, he should have interest on the capital invested in the lands and farm tools, stock, and lands, and then if he is to be put on a basis of equality with other industries he should have a reasonable profit above that just mentioned.

The second purpose of this bill is to minimize speculation. The speculator in many instances has been the farmers' greatest enemy. Webster defines the word "minimize" as follows:

To reduce to the smallest possible amount or degree.

Then we find that it is the duty of this Farm Board to reduce speculation to the smallest degree. In this declaration by Congress in this act, Congress recognized that the manipulator and the speculator were the farmers' worst enemy because it is the first one mentioned in section 1 of the bill. Everyone, I think, who has made a study of conditions as they have existed in this country for many years past, is bound to realize that the gambler in cotton futures, speculators, and manipulators have been more detrimental to the farmer than the boll weevil or the pink bollworm that we recently voted money to exterminate. I would like to see the manipulator and gambler in futures on cotton exterminated along with the pink bollworm and the boll weevil. It is the duty of this board under this

provision of the bill to do this. I will discuss further in my speech how they can do it under this bill we passed, and under which they are operating.

Section 9 of the bill provides for the creation of stabilization corporations for any commodity, and subsection (b) of section 9 reads as follows:

Any stabilization corporation for an agricultural commodity (1) may act as a marketing agency for its stockholders or members in preparing, handling, storing, processing, and merchandising for their account any quantity of the agricultural commodity or its food products, and (2) for the purpose of controlling any surplus in the commodity in furtherance of the policy declared in section 1, may prepare, purchase, handle, store, process, and merchandise, otherwise than for the account of its stockholders or members, any quantity of the agricultural commodity or its food products, whether or not such commodity or products are acquired from its stockholders or members.

I want to call your especial attention to this part of the subsection just read, for the purpose of controlling any surplus in the commodity in furtherance of the policy declared in section 1, the stabilization corporation may purchase, handle, store, process, and merchandise, otherwise than for the account of its stockholders or members, any quantity of the agricultural commodity or food products, whether or not such commodity or products are acquired of its stockholders or members.

This provision of the law gives the board the right and makes it its duty when an agricultural product like cotton is being depressed and is being forced on the market at from 4 to 6 cents per pound less than it cost to produce it to create a stabilization corporation to go into the market and buy and store any quantity of it, or all of it, if it is necessary to orderly market it, so that the industry of agriculture will be placed on a basis of economic equality with other industries.

The advisory committee for cotton, as I understand, is composed of the following members, to wit: Bradford Knapp, Robert Amory, U. D. Blalock, H. Lane Young, A. H. Stone, and S. L. Morley.

If this advisory committee is to function and make good its name it should demand of the Farm Board that stabilization corporations should at once be put in action to save the cotton farmer from ruin.

If the Farm Board were to announce to-day that it had authorized stabilization corporations to take off the market and store 10,000,000 bales of cotton until the same could be marketed at a stabilized price of, say, 25 cents per pound, which is about the cost of production, it would not be five days before cotton would be selling on the market everywhere at not less than 25 cents per pound. They could save the southern cotton farmer from ruin by acting under this provision of the law, and the cotton farmer has a right to expect it and does expect it. It can take care of the fixed stabilized price by insurance, as provided for in this bill.

Whatever loan price is fixed on cotton will be almost sure to fix the selling price at the loan price. When the board fixed the loan on cotton at a low price, in my opinion, it practically fixed the selling price. If it will fix a price of stabilization at 25 cents per pound, it will immediately raise the price to that point.

The only reason cotton did not take a tumble off when the stock market failed in New York was that the law provided that when an emergency should come that the stabilization corporations provided for could, and it was expected that it would, immediately come to the rescue of this great agricultural product and take enough of it off the market to keep this commodity of agriculture on an economic basis with other industries. But when it was announced that the board would not buy cotton the price went down. Of course, the board must have meant that it would not as a board buy it, but it should have made it plain that the stabilization corporations provided for in the bill might do so under conditions that justified it, and such as now exists.

We are told that the way to solve the question is to reduce the acreage. Does that sound new or old? That is so old that it has mossed over. I heard that when I was a boy. It would get the same result if you were to advise the farmer not to hoe his cotton or plow it, and it would not make so much and he would get a better price for it.

About all the cotton is now and has been for many years grown in the United States that can be grown, and we grow about 75 per cent of the cotton of the world.

What we need most is what this bill provides for in part and that is that the Farm Board is to study the new uses to which this product of agriculture can be put and thus guarantee a market for it. If all the grain sacks, twine, wrapping for cotton bales, and other things we now use jute and hemp for were made out of cotton, it would take up the low

grades of cotton and would take up a large part of our surplus cotton.

We frequently talk about a surplus in cotton. We should always produce a surplus of over one year's needs for cotton. We ought at least to have 2,000,000 bales of cotton available at all times. For this reason we who live in the South where cotton is produced know that frequently one has a promising prospect for a crop and the boll weevil and the cotton hopper or some other insect comes along and destroys the crop to where it might be reduced in any year below the demand for it or cut short by drought.

Joseph taught Pharaoh a great lesson when he taught him that there were fat years and lean years, and that during the fat years wisdom would say that he should provide for the lean years. That principle is true in cotton, at least. One of the weaknesses of this bill is the fact that it does not, in the face of the bill, provide for the proper inducement of the farmers to get into this organization.

They now tell us that the remedy is to grow long-staple cotton. We have some lands that will grow long-staple cotton, but it is more expensive to raise than short staple. Then when it is grown we are met with this condition, that foreign countries that grow the long-staple cotton ship it in here free of tariff duty, and where it is grown on lands cultivated by peon labor, so that we can not compete with them. When we asked you to give protection by placing a tariff on long-staple cotton you denied us that recently.

Another remedy has been proposed and that is that the cotton lands be turned into dairy farms. If this were done, I ask, what would soon become of the dairy business? You would soon have that so overdone that you could not sell the dairy products. Besides that, we grow the feed for your dairy cattle. Our cottonseed meal and hulls form the principal feed for your dairy cattle. Not only that, from the oil from the cottonseed we have over 100 food products in which it is used. The cotton industry is the most important money crop to the farmer of the South, and we should have it protected by this board as provided for in this bill under which they are operating.

We are waiting with hope to see the Farm Board act quickly to save the southern cotton farmer from ruin, which they are authorized to do under the power given them in the farm marketing act.

There is one other provision of this bill now under consideration that I want to call your attention to, and that is the Interstate Commerce Commission. This bill carries an appropriation of \$8,322,650 for that department. I want to ask you, in the light of reason, is it worth it? Interstate rates could be fixed by acts of Congress, and the intrastate rates fixed by the States. Before we had the Interstate Commerce Commission we had some competition in freight rates. Now we have none on interstate shipments. You may have two competitive lines into any given market for interstate shipments, and possibly one of the roads will have a haul of many miles farther, but the interstate rates are the same. It is possible that if we did not have the interstate rates fixed that we would have some competition between the roads, and freight and express would be hauled cheaper. Now they are heavily penalized if they charge a higher or a lower rate than fixed by this commission. They ought to, at least, fix only the highest rate that could be charged and leave the railroads open for competition and not penalize them when they do compete with each other on interstate rates. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. DICKSTEIN].

Mr. DICKSTEIN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein portions of reports made by Rabbi Joseph Hertz and Leo M. Glassman.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks as indicated. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Chairman and members of the committee, it is rather unusual to present to the Congress of the United States the question of dealing with Soviet Russia. I am mindful of the fact that we have no relations with Soviet Russia, and I hope the time is far away before we shall attempt to recognize that country.

It is needless for me to tell you about the horrible conditions which exist in Russia and which have been going on there in connection with religious persecution. I am not only speaking of my people, but of all religious denominations. I hope when Russia attempts to seek recognition—and I am very mindful of the fact that there are a number of people in this country interested in seeing that we recognize Russia—this Congress will refer to some of the statements and reports I

have, which I will make a part of my remarks. This information is very interesting indeed, and it is information I received from London a few weeks ago.

The Soviet Russian Government has been crucifying every religious denomination—priests, rabbis, and ministers of all denominations. It is simply attempting to eradicate religion from the so-called Soviet Government.

Mr. QUIN. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. QUIN. Is it not a fact that they have recently torn down some of the oldest cathedrals and churches in the city of Moscow?

Mr. DICKSTEIN. This is what they have done recently—and it is very interesting to know about it—they have torn down, destroyed, and dynamited a monastery that was in existence for more than 600 years. They have taken the stones, thrown them into the river, and they are using what is left of the cathedral for amusement purposes. They have taken churches and synagogues and destroyed them, without even giving the worshipers any notice.

Mr. QUIN. I read that in the press, but I did not know whether it was true or not.

Mr. DICKSTEIN. That is true.

Mr. GREEN. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. GREEN. And are they not imprisoning people?

Mr. DICKSTEIN. They are; and unjustly. If one attempts to teach his child or children in any language or in any religion he is immediately arrested and, naturally, sent to exile. I am not finding fault with the Russian people. My complaint is against the Russian Government, the Soviet Government, and I say to you, my colleagues, that I do not care what religion they want to pursue, but give me a country that has some religion, because I do not recognize a country as a safe country without religion of some form.

Mr. McSWAIN. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. McSWAIN. Will the gentleman distinguish between the Government and the people, if there is a distinction, and suggest to the people who do the work, raise the crops, pay the taxes, and do the fighting how they may throw off this yoke or some sort of tyranny that is a curse to them rather than a blessing?

Mr. DICKSTEIN. From information I have gathered—and you may find it in my talk to-day—every attempt so far made by the citizens and by the religious people to make a protest has resulted in their being immediately sent to jail by the local authorities, and even without a trial they are sent away to foreign parts of Russia. The point I make is that Russia seeks recognition from the United States Government; and it is about time this Congress knew something about what is doing in the Soviet Government. I recognize the gentleman's point, and it is very clear; but it seems to me from reports received from all parts of the civilized world that every attempt that has been made by the peasants to worship in their own way has resulted in their immediate arrest, no matter what their claim or defense was.

Mr. McSWAIN. The point I make is that these proletariats, or peasants, found some means of overthrowing the old Romanoffs and dethroning and killing the Czar. Now, can they not devise some way to overthrow the power of this minority that is astride their backs murdering them and depriving them of the right to worship God as they see fit? I think Americans would not stand that 24 hours.

Mr. DICKSTEIN. I agree with the gentleman; and that is why I am now speaking to the American people and to the greatest tribunal in the world—this Congress of the United States—in order to inform them of this prosecution and persecution of those who desire religious liberty.

I am not here to present some solution for the problems of the peasants of Russia; I am trying to warn the American people that we have American firms dealing with that savage government of Soviet Russia, and, as a matter of fact, its credit to-day is almost nothing. No country will do business with them. Everything they do is on a cash basis, and I am now warning the American business man and American industries that the quicker they terminate their business relations with Russia the safer it will be for them and the safer it will be for civilization.

Mr. Chairman, several days ago I had occasion to address this House on the subject of religious persecution, to which the people of Russia have been subjected by the soviet authorities. I then had the occasion to tell this House as to how places of public worship, cemeteries, and religious services have been interfered with by the action of the Russian authorities and

how precarious the position of all ministers, priests, and rabbis has become in that country.

Since the making of that address before this body, additional facts have come to my knowledge, which I believe should be communicated to the Members of this House so as to acquaint them with what conditions in that country have come to.

Several weeks ago in Great Britain members of Parliament made an outcry and a protest to the civilized world, stating that something will have to be done to destroy this form of government that believes in completely eradicating every form of religion in that country.

Conditions have become unbearable, and it is needless to say that unless something decisive is done it will only grow from bad to worse, and if we have any feeling in our hearts for the maintenance of religion as the driving force of human life and the great aim and ideal of human ambition, then, of course, this is the last word on the subject of intolerance and persecution.

Many persons of prominence have given their thought to this subject and many others have stated their objections to a continuance of this condition. The people of Russia, of course, can not speak. The soviet authorities have muzzled everybody and not a voice can be heard in the land which is not approved by the powers that be. The Russian people have been suffering in silence because no spokesman has arisen to plead their cause. If anyone dares to criticize the action of the Russian Government, he will only be threatened and abused, and if he persists in speaking, then the jails of that country will promptly receive him and he will never see the light of the world again.

For this reason I make this appeal to the Congress of the United States, to the people of America, who are always willing to lend their help in such trying conditions, no matter whether they are in Russia or in any other part of the world.

Mr. YON. Will the gentleman yield?

Mr. DICKSTEIN. Certainly.

Mr. YON. In what manner does the gentleman think we could exercise any influence over Russia in connection with these religious persecutions?

Mr. DICKSTEIN. Public opinion in the United States will at least warn them that they must change their policy in connection with religion. Besides, there are a number of American concerns that are doing business with Russia. It is just a matter of a short time when their bills will not be paid and they will come to this Government and ask for protection. We will not be in a position to help them. We have no dealings officially with Russia, but, nevertheless, they will demand from this Government some sort of intercession so that these debts may be paid. But we will be powerless, because we can not use any diplomatic or any other kind of pressure. If our citizens cut off Russia and leave her to herself, other countries will practically be on the same line of defense.

We do not want any dealings with Russia; no civilized country in this wide world should have any dealings with any country that practices this kind of religious persecution.

Mr. YON. This Government has never recognized Russia.

Mr. DICKSTEIN. And I hope she may not; but there is an attempt being made, and there has been one for a number of years, to recognize Russia on some sort of basis. We are all aware of the efforts and recommendations of a prominent Senator, who has very much to do with foreign relations, in connection with proposed recognition of the soviets.

Mr. YON. That makes it a very difficult problem for us to consider.

Mr. DICKSTEIN. But at least we know in advance what Russia stands for, so that when the time comes, and I understand it is coming very soon, and overtures are made to our Government to recognize Russia, we will at least have some concrete facts. I have an indictment against Russia, not her people, and I challenge any Russian representative to contradict the facts I have before me. [Applause.]

PROSECUTION AND PERSECUTION

These are the two great weapons which the soviet authorities use and have used to achieve their aims. Prosecution and persecution are the continuous weapons by which the public is muzzled and public opinion is stifled. Prosecution and persecution are again the weapons by which no rabbi, minister, or priest dare to invoke the Help of the World to put an end to these intolerable conditions.

Some months ago a great demonstration was held in that cradle of liberty, that hall which has ever been the seat of protests against every kind of injustice and intolerance. I refer to Albert Hall in London, which has ever been the place where the oppressed would voice their objections and the persecuted would find their refuge. In that historic edifice the voice of the chief rabbi of Great Britain and the British Dominions was heard in protest against what has transpired in Russia. All church organizations of England and all the representatives

of English political life were present, and the Jewish chief rabbi, who was the only Jewish speaker at that meeting, expressed his indignation in words of such eloquence and in thoughts so lofty that all those who preceded or succeeded him as speakers at that meeting could only echo his sentiments and express their great thoughts on the subject with more emphasis perhaps on some features of religious persecution, but without detracting from the rabbi's remarks and without in any way modifying the tenor of his great utterances.

This meeting was held on December 19, last, and was presided over by Lord Glasgow, Liberal statesman, who is the representative in England of all that is noble, all that is truthful, and all that is great; but Lord Glasgow was not the only member of that noted assemblage, there were besides him the Viscount Brentford; Father Aubert, the famous Genevan preacher; Lord Charnwood, the great philanthropist; Doctor Rushbrooke, the European representative of the American Baptist Church; and a good many others too numerous to be mentioned at this time. And in this assemblage, so noble and so notable for the quality of its members and the prominence of its speakers, the voice of the Jewish chief rabbi was heard, proclaiming as follows:

I have no doubt that the spokesmen of the churches will before long be joined by the great leaders of opinion outside the churches in this protest against religious persecution, because the spiritual tragedy that has brought us together to-night constitutes not merely a Christian question or a Jewish question—it is a human question. What is trampled underfoot in Russia to-day is conscious religious liberty and everything that is most divine in the human spirit.

The confiscation of synagogues on the part of the local soviets continues throughout Russia. By unblushing defiance of immemorial right houses of worship are taken from the congregations and turned into communist clubs and workmen's dwellings. As late as September 26 last, only a few days before the Jewish high festivals, five synagogues were confiscated in the city of Homel alone. The worshipers were happy if they could find barns and stables in which to arrange services on those, the most solemn days of the Jewish year.

This confiscation of synagogues is accompanied by every conceivable molestation of religious life. The burial grounds have been taken away from the communities and placed under soviet control. The rabbis, as are the priests of other denominations, are subjected to all sorts of indignities on the plea of their being counter-revolutionaries at heart; and Zionists are hounded with inhuman ferocity, on the plea that every Zionist is an agent of British imperialism. They are imprisoned or exiled to distant parts of Siberia, and many a one has been driven to suicide or insanity by sufferings that pass the point of human endurance.

Immeasurably more deadly to the cause of religion, however, than the closing of houses of worship or the degradation of priests or rabbis, is the proscription of religious teaching to the young. The soviet commissars forbid all class instruction in religion, even after school hours, even outside the school premises, nay, even in the homes of the children. In many parts of Russia the commissars have declared that even two children constituted a class, subjecting their teacher to the dire penalties for imparting instruction in religion or Bible to children at school.

Even the teaching of the Hebrew language to Jewish children is strictly forbidden. Not so very long ago, two aged men, 71 and 73 years old, were sentenced to six months' hard labor for the heinous crime of teaching Jewish children their prayers; and 200 children were kept in prison for over a fortnight in Vinnitsa, Podolia, because they refused to betray the names and whereabouts of their Hebrew masters.

Religious instruction has therefore to be given clandestinely underground, or in lofts, and at midnight, with both the teachers and the taught being hunted by spies and informers—all as in the days of the Inquisition.

What is to be done? I place little trust in denunciations and threats hurled against the soviet rulers. Such threats and denunciations can only embarrass the few statesmen of Russia who have on occasion shown themselves uneasy over this bad business of religious persecution.

Not so in regard to the representations that we all hope will now be made by the British Government. Voicing, as these will do, the pained amazement and moral indignation of all friends of humanity, who have no desire to interfere in the internal affairs of the Russian people, they may strengthen the hands of those Russian statesmen who see the folly of aggressive atheism. Meanwhile, it is our duty never to despair of the sanity of an entire people or to doubt the ultimate triumph of right and humanity in God's universe.

And thus the meeting of the English notables expressed its opinion as to what the world thinks of Russian persecution of the churches.

Viscount Brentford, another speaker at the meeting, gave a series of other details as shocking as those presented by the chief rabbi. Said Viscount Brentford:

Have you heard of the archbishop who was buried alive after his eyes had been put out, of another bishop who was plunged into quick-

time, of another archbishop who was hanged in front of his own altar, of three priests who were thought worthy to suffer the death that Christ suffered and were crucified, of another who was stripped naked and sprayed in a Russian winter with cold water until he was a frozen statue of ice?

Have you heard of the devilish ingenuity of which these men have been the victims? Have you heard of the archimandrite, who with his two sons, was taken out to be shot? While the execution of the sons was taking place this good man recited prayers for the dying. When his turn came, such was his reputation that the platoon of soldiers declined to fire. Another platoon was sent for, and they declined to fire. Then the commissar, the civil officer in charge, stepped up and murdered the victim himself.

But it is not merely about that I want to speak to you to-night. I wish to speak of the deliberate effort to destroy religion. They have tried persecution and terrorism, and now they are trying political action and education. Churches and synagogues have been confiscated and destroyed, some of them turned into clubs, theaters, and cinemas. Christian baptism is forbidden. Religious weddings are forbidden. Sunday no longer exists throughout that great country, and the cabinet has now entered upon a deliberate scheme to blot out the name of God.

Thereafter, after all the speakers had been heard and enthusiasm had been created against the constant encroachments of the Russian powers in the field of religion and liberty, a resolution was adopted by the meeting in the following words:

That this meeting of worshippers of Almighty God vehemently protests against the persistent and cruel persecution of our fellow worshippers in Russia, and especially against the suppression of religious instruction of the young, and calls upon all believers in God and lovers of liberty throughout the world to pray and work without ceasing for the complete religious freedom of the people of Russia.

That the British Government be urged to make the strongest possible representations to the Soviet Government to bring this persecution to an end.

That copies of this protest be forwarded to the heads of all civilized governments.

So much for the English meeting, to which I have devoted a considerable time in my remarks to-day; but England is not the only country of the world which has made its protest against this dastardly act of the Soviets. America has spoken and spoken by the voice of the representatives of Jewish organizations who have convened in the Pennsylvania Hotel in the city of New York on December 8 last. I have once before referred to this conference of December 8, and since I was a member of this conference I am perhaps in a position to give this body a first-hand statement as to what this conference did with reference to Soviet Russia.

In my address to the House some weeks ago I have referred to the fact that Russia has not been recognized by the United States and that the country is on its probation and must demonstrate its good faith and intelligent government before it can expect to receive any recognition or sympathy or cooperation or help from this Government. I also pointed out that it was our money and our industrial genius which has helped Russia, in spite of the fact that we have not seen fit to recognize the Soviet Government. We have helped Russia continually in money, by industrial organization, and by sending some of our best men to its relief. All of this was done because of the humanitarian impulse which permeates our people and which makes us at all times the exponent of all that is noble, generous, and helpful. We have forever and at all times helped the poor and downtrodden. We have aided and assisted the fallen. We have given our time, our money, our genius, and our work unstintingly and without restraint to all worthy and noble causes. We have helped and aided. We have cooperated everywhere in the world in order to achieve greatness and stability of other peoples and other nationalities which without our help could never be. Russia is not an exception. We have not recognized the present rulers of Russia because they do not deserve recognition, but we have never in any way hurt the people of Russia; but, on the contrary, have given lavishly of our money and our industry to this unhappy country. We are always willing to aid, but we are not going to give our help where it is not going to result in real, honest, and intelligent cooperation with our aims and ideals.

In our Declaration of Independence we place our trust in the Almighty God, and though we have separated church and state and though we have provided in our Constitution that no religious test shall ever be required as a qualification for public office and though we have elected to the Presidency of this country men of all religions we have not permitted divine worship in the United States to be ever obstructed or hindered. All of our Presidents call upon the people of this country annually, around Thanksgiving, to offer their thanks to the Almighty God. And though, as I said, we do not recognize any particu-

lar creed or religion we are all united in the belief that only through the help of the Almighty God can our Nation succeed and prosper.

The philosophy of the Soviet Government is diametrically opposed to ours. The Soviets have set themselves the task of eradicating all vestige of religion from their precincts, and not only will the government itself propose no religion, but what is worse it will deliberately curtail the religious impulse of other people and will do all in its power to stifle religious feeling and pervert religious observance.

As I am delivering these remarks, my attention is called to a dispatch from Moscow by the Associated Press, describing how an old Russian monastery is blasted to make way for a soviet club and how 5,000 workers carry stones of one of the richest Moscow religious temples and throw them into the river.

The dispatch is as follows:

Moscow.—Simanov Monastery, which in former days was the most important and richest in Russia, was blown up with dynamite to-night to make room for a gigantic new soviet workers' club and "cultural center." The monastery was founded nearly 600 years ago by St. Sergius.

Five thousand workers carried away the debris, each pledging himself to remove one stone and throw it into the Moscow River. This action followed the recent conversion by communists of the famous St. Isaac's Cathedral, Leningrad, into a huge antireligious museum. The hundred-ton bells of the cathedral were so unwieldy that the authorities had to destroy them piecemeal in the belfries.

OTHER CHURCHES ABOLISHED

More than a score of other churches in Leningrad and Moscow now are in process of demolition and are being replaced by commercial buildings, schools, and workers' clubs. The bells are being turned back into copper, silver, and bronze for commercial use.

In one case a provincial church was turned into a circus and in Tiflis the proceeds from melted church bells were used to establish a menagerie.

THOUSANDS WITNESS DESTRUCTION

The scene around Simanov Monastery to-night, with its castellated walls and high-spired belfries, was a vivid one.

While workers placed sticks of dynamite under the monastery, thousands of persons gathered to witness the successive explosions and the toppling of the massive walls and 400-foot high belfry.

Here is another dispatch:

[New York World, January 31, 1930]

REDS SILENCE MOSCOW CHURCH BELLS THAT TOLLED FOR A THOUSAND YEARS

Moscow.—Church bells will ring no more in or near Moscow, capital of Red Russia. The voice of the city's "forty times forty" churches, which for a thousand years have pealed out their call to worship and the tidings of birth, death, and marriage, have been forever silenced by a soviet order issued to-day.

The ban extends to all churches throughout the Moscow region, which includes several dozen smaller cities near by, in which there are hundreds of churches. Similar ordinances are already in effect in other soviet cities and may be adopted throughout Russia.

The Moscow Soviet explained that its order was adopted upon the "energetic urge of numerous social and labor organizations," whose members complained that the church bells disturbed their sleep and otherwise irked them.

In many cities the church bells will be removed from their belfries and remelted to supply commercial metal.

They will tell you if you are ever prejudiced and do not mind to listen to "bunk" that nowhere in the world is there so much personal liberty as in the land of the Soviets and that in no other country is freedom of conscience so thoroughly predicated as in Soviet Russia. Now, as I said, it is not true, and is merely pure, unadulterated "bunk."

The only freedom that Russia recognizes is the freedom to agree with those in power and not the freedom to disagree with those in power.

I believe it was in our Supreme Court where Mr. Justice Holmes, our venerable senior judge of that court, said:

If we are to consider ourselves a liberal Nation, we must not only permit expressions which agree with the majority, but we must permit a minority to express opinions with which the majority does not agree.

This is exactly what we understand by freedom. It is easy enough to be with the majority and express views which the majority approves. Nobody will ever be in trouble for agreeing with the powers and their policy, but in our opinion freedom consists in the permission given by the Government to disagree with those in power, and unless we recognize this kind of freedom, we are not cultured or progressive or liberty-loving.

Now, how does the Soviet Government regulate freedom of its people? By the act of January 23, 1918, all creeds and beliefs

are given the same guaranties of freedom of conscience and are put under the same restrictions.

Article 2 of the soviet religious code states:

Within the confines of the Soviet Republics it is prohibited to issue any local laws or regulations restricting or limiting freedom of conscience, or establishing privileges for preferential rights of any kind based upon the religious confessions of the citizens.

Article 3 states:

Any citizen may profess any religion or none. All restriction of rights connected with the profession of any belief whatsoever, or with the nonprofession of any belief, are annulled.

Article 5 states:

A free performance of religious rights is guaranteed as long as it does not interfere with public order and is not accompanied by interference with the rights of citizens of the Soviet Republics. The local authorities possess the right in such cases to adopt all necessary measures to preserve public order and safety.

Article 9 states:

Instruction in religious doctrines is not permitted in any governmental or common schools, nor in private teaching institutions where general subjects are taught. Citizens may give or receive religious instruction in a private manner.

Article 10 states:

All ecclesiastical or religious associations are subject to the general regulation regarding private associations and unions and shall enjoy no privileges or subsidies, whether from the government or from local autonomous or self-governing institutions.

Article 11 states:

Compulsory demand of collections or dues for the support of ecclesiastical or religious associations, as well as measures of compulsion or punishment adopted by such associations in respect to their members, are not permitted.

Article 12 states:

No ecclesiastical or religious association has the right to possess property.

Article 13 states:

All properties of the existing ecclesiastical and religious associations in Russia are declared to form national wealth. Buildings and objects specifically appointed for purposes of worship shall be delivered, in accordance with the regulations of the local or central governmental authorities, to responsible religious associations for their use free of charge. (Only revenue-producing property was taken from the church.)

It is therefore obvious that while religion in an impersonal sense is not interfered with by legislation of the soviets, no religious organization can continue to function in the country.

But in addition to the general restrictions placed on religion in Russia, Jewish religion is even worse off than the religions of other creeds operating under the soviets. Peculiarly, because some of the early statesmen of the soviets were of Jewish extraction, they seemed to take a special pleasure in tormenting Jewish education and Jewish worship. The repression of all Jewish schools of learning and schools of religious instruction has been severe and may perhaps result in a fatal destruction of Judaism throughout Soviet Russia.

At the Pennsylvania Hotel a paper was read by Leo M. Glassman, who had spent 10 months in Soviet Russia and knows of his own personal observation the real conditions in that country. I shall now quote from his paper, as follows:

I have dwelt on these facts in order to show not only that the Jewish religion is situated worse than the other religions in Soviet Russia but also to show that the Soviet Government acts on motives of political expediency. If the Jewish leaders in America and elsewhere pursue the proper line of action, it is not impossible to suppose that the Soviet Government may decide to alter its policy toward its Jews on similar grounds of expediency.

Regarding the teaching of Hebrew, practically the same thing can be said as on the subject of religion. While the soviet laws permit the teaching of Hebrew in chadorim, where there are no more than three pupils, provided that no general subjects are taught in the same school, and in yeshivas, provided the students are over 18 years of age, the effect of these laws is largely nullified through the devious repressive activities of the Jewish communists.

That brings me to the Yevsektzia. If the Jewish religion and the instruction of Hebrew is now in a worse position than other religious groups in Soviet Russia, because of the chain of circumstances which I have briefly described, the Yevsektzia has aggravated the situation still further by its deliberately hostile, uncompromising attitude. This organization of Jewish renegades is headed by leaders most of whom were formerly Zionists and Nationalists. Merezkin, who is in charge of the Comzet, which conducts the colonization work, was formerly a

Zionist; so was Rashkes, who heads the colonization work in Bira-Bidjan; Litwakov, editor of the Yevsek organ, Emnes, was a radical Zionist; Tchemeriski, one of the chief Yevsek spokesmen through press and platform, was one of the originators of the Zubatov movement. Like all renegades, they seek to be holier than the Pope, partly out of fear for their own position and partly to expiate their past "sins." They hate everything Jewish with a venomous hatred worthy of the Jacobins. They are, in fact, the Jewish Jacobins of the Bolshevik revolution. Nothing escapes their watchful eye—from colonization to religion, from Zionism to the Hebrew language. They deal with everything and they persecute everything in Jewish life; that is their specialty. Through their untiring efforts synagogues, chadorim, and yeshivas are being constantly closed, the teaching of Hebrew is forbidden, Zionists and chaltzins are rigorously persecuted, and, in general, the life of the Jews in Russia is made unbearable beyond human endurance.

During my stay in Russia I had ample opportunity to observe their work. I interviewed the leading Yevseks in Moscow, in Minsk, in the Ukraine, and Crimea; and then I compared their statements with the facts as I saw them with my own eyes. There is a method in the madness of the Yevseks; they work with the calculation and the cunning of a Machiavelli. The whole thing is thoroughly systematized on the basis of stereotyped communist ideology.

With the utmost confidence they will tell you that there is no persecution of religion or of Zionism, that only counter-revolutionaries are persecuted, that the teaching of Hebrew is unhindered, that the Jewish youth is inculcated with the communist idea solely through the peaceful methods of education, and not through intimidation or compulsion. That was what the Yevsek leader told me, from Pashkes and Tchemeriski and the editors of the Yevsek organs in Moscow and Minsk to the meanest little Yevseks in the Jewish colonies in the Ukraine and Crimea. That was the fiction for the consumption of naive and credulous foreigners. What are the actual facts? Here they are:

Being the Jewish counterpart of the Communist Party, the Yevsektzia has adopted for its work in the Jewish field methods similar to those employed by its parent organization in the wider field. The basic principle is spying and keeping the Jewish population in a state of constant intimidation. This is achieved through the system of arborks and dorkors, meaning arbeiterkorrespondenten and dorkorrespondenten. Officially, these are factory and village correspondents who report to their local communist papers about the goings-on in their place of work and in the community in general. Unofficially, these correspondents are virtually spies; that is, their rôle, whether they do it wittingly or unwittingly, as the case may be. Their business is to snoop around and ferret out every possible detail about the private life of everybody else. They are, to put it in one word, informers. If a Jewish worker goes to the synagogue on Yom Kippur or Rosh Hashana he is sure to see himself denounced in the local paper as a counter-revolutionary and an enemy of the working class. If a Jewish communist has the Abrahamic rite performed on his offspring, the dorkor and arbork will not rest until that communist is expelled from the party, and, if possible, discharged from his work. The minute an arbork or dorkor discovers that a Jewish worker has been eating matzoth on Passover the culprit is so blackened in the local paper that he thinks twice before he makes bold to eat the forbidden article the following Passover.

And frequently it is not only because he is concerned about himself and his position but also because of the inevitable consequences to his children that the Jewish worker surrenders to the whip of the Yevseks and abandons his traditional Jewish practices. The sins of the fathers are visited on the children and vice versa. You will get a clear picture of the Yevsek methods if I relate just two or three of the numerous cases which I investigated personally and substantiated.

In Moscow last April the Jewish communists were engaged in feverish activities to break the spirit of the forthcoming Passover, by preaching against it in press and in school, by ridiculing the rabbis, denouncing the observance of the ancient Jewish practices as counter-revolutionary, and holding up to scorn those who surrender to "Jewish clericalism," as they put it. But the most effective methods were these: The Jewish children were given strict orders to appear in school as usual on the Passover days, and the Jewish employees in all government offices, bureaus, and factories were told to come to work under penalty of losing their positions. I had these reports from many sources, but the most conclusive proof was furnished me by a Jewish employee in the Soviet State Bank in Moscow. The same instructions held good for all clerks and employees who were discovered eating matzoth. And these threats were not merely scraps of paper. If the Jewish worker or clerk who dares to stay out on a Jewish holiday is not discharged immediately he is cleared out when the periodical "chistka" comes around. The "chistka" is the housecleaning which takes place every few months in all soviet institutions. Its ostensible purpose is to rid the soviet bureaus of undesirable elements, such as the inefficient, obstructionists, etc. In reality, these undesirable elements in their vast majority remain, while the more decent elements who can not bribe, scheme, and conspire against their fellowmen are

expelled, usually on the flimsiest and most ridiculous charges, among which are: Observing the Jewish rituals, eating matzoth, etc.

On April 18, which was just about a week prior to Passover, I left Moscow on my way south to visit the Jewish colonies in the Ukraine and Crimea. En route I stopped in a number of cities, and everywhere they are employing the same methods to keep the Jewish population from observing Passover. But in some instances the Jewish communists surpassed themselves in sheer brutality. Thus, in Kiev the Jewish children were told that failure to appear in school on Passover would mean immediate expulsion; moreover, they were instructed not to appear in school in their new clothes. But the outstanding example that impressed itself on my mind more than any other was in Kherson, which, as you know probably, is a few hours' distance by boat from Odessa. Here Bolshevik cruelty was brought down to its finest point; the Jewish children were told that if they stayed out on Passover their ration cards for bread would be taken away from them! I leave it to your own imagination to visualize this. Had I not been in Soviet Russia and investigated this personally, I would have refused to believe that such inhumanity was possible. Nor are those isolated cases. Similar reports came to me from many other cities, but I am only citing what I saw and substantiated.

But what is perhaps still worse than these ruthless methods of compulsion, which often have the opposite effect, is the moral wall which the Yevseks, following the general pattern in the soviet schools, are building up between the children and parents. In the Yiddish schools in White Russia and in the Ukraine, the teachers strive to inculcate the children with a spirit of contempt for everything that is held sacred by their parents. They are not content with teaching the children the materialistic doctrine; they engage in active propaganda against religion; they are not content with explaining to the children the Darwinian theory of evolution, to which there could hardly be any objection; they go further; they tell the children that anyone who believes in religion is a benighted fool, an enemy of the working class, and a counter-revolutionary. Before the arrival of a holiday, cartoons are brought to the schools depicting rabbis and Jews of the bourgeois type, generally in the most ludicrous poses, as exploiters of the worker, over whom they are shown standing with gloating, sadistic eyes and fingers dripping with the blood of their proletarian victim.

Simultaneously speeches saturated with venomous sarcasm are delivered. I saw such cartoons when I was in Kherson. The effect of this procedure on the impressionable minds of the children can easily be imagined; that many of them are influenced is not to be wondered at. Jewish parents complained to me, with tears in their eyes, that this was the most tragic thing in their lives. Some of the children, falling under the spell of this so-called educational method, become enemies of their own fathers and mothers. There are instances where youngsters come home and ask their parents whether they are counter-revolutionaries and exploiters of the poor workers.

This form of antireligious propaganda in the soviet schools, formerly of a sporadic nature, has become an active drive as a result of a new decree issued last March, instructing all soviet teachers that the policy of neutrality practiced hitherto in the schools in the matter of religion was to be replaced by energetic antireligious activity.

Now, I am going to say a few words on the subject of Zionism. While there is nothing in the soviet laws regarding Zionism, there seems to be an unwritten law on the matter which is just as effective as any written law could be. Zionism is regarded by the Bolshevik leaders, and, of course, by the Yevseks, as a distinctly counter-revolutionary movement, and hence it is rigorously suppressed. So far as I could see, it has been completely uprooted and exterminated. The leading Russian Zionists have been either hounded out of the country or exiled; their followers have been so effectively cowed that they dare not lift their voice, let alone engage in any Zionist activities. Even the extreme left wing of the Poale Zion Organization, which was definitely prosoviet and had made heroic sacrifices in the cause of the Bolshevik revolution in 1917 and 1918, has been liquidated. The suppression of this organization occurred three days before my arrival in Moscow in August, 1928. I succeeded in arranging a secret meeting with one of the leaders of the Left Poale Zion and he showed me a copy of the protest which had been drawn up by himself and several others against the arbitrary, unjustifiable action of the Gepeu. This protest was forwarded to the heads of the Soviet Government. Soon after that my informant was exiled to Siberia, and, so far as I know, he is still there.

So much for Mr. Glassman's report. Again we have a detailed statement from an eyewitness showing how far the soviets have gone in their attempt to exterminate Jewish religion and instruction.

There can be no stronger expression of condemnation uttered by civilized man than that contained in the resolution adopted at Albert Hall, which I have discussed before.

I shall therefore wind up my remarks with the words of protest expressed by Lord Charnwood, who was the chairman of that meeting and who has truly epitomized all that we feel on the subject. Lord Charnwood said:

This is a cause in which true English men and women are at one. It is not a political question. Whether our contact with Russia should be through an ambassador or not is to us a minor point on which we might differ.

It is nothing to us here whether or not the Russian Government tries to run trade on communistic principles. To-night we are not even concerned about our own country and its institutions or about the British Empire, that great agent of civilization for which I for one deeply care.

Poverty, hunger, prison, torture, death—these things have been faced by those in Russia. First and foremost to-night we pay homage to the men, women, and children who face these things. The first point I wish to make is that some people in England have found comfort in the idea that there is now a cessation of persecution. What is happening really is that a more perfect engine of repression has been set up this year. It is true that under strict conditions and at heavy cost some Christians or Jews in Russia may meet in church or synagogue to pray, but worship does not end in prayer. Let any of them, in the name of God, feed the hungry, comfort the sick, teach the ignorant, or help neighboring congregations; then it is that the hand of the law grips them, and it is not a gentle thing.

Here are two sentences from the Russian Minister of Education: "Christians teach love and compassion, which is contrary to our convictions," and "Down with 'love our neighbors.'" That is the spirit in which this mighty engine of the law is being and will be administered.

I happen to be a convinced churchman. But there are Christian people who have no creed and church but who, in doubt, would still seek the truth. Let them understand this fact: That seeking the truth is just what men may not do in Russia.

Let some teacher in Russia, however irreligious he may have been, bring to question in the strictest spirit of science whether the tenets of materialism have indeed been proved. He, too, by whatever name he calls it, will have to bear Christ's cross. That is the scope of the Russian law.

Lastly, what can we do? For one thing, we can learn how things go in Russia and make the exact proved facts widely known in England, the Dominions, India, America, Europe.

And yet if our prayers and our sympathy were all, do you imagine that these mean anything to the multitudes of Russians who will get to know of them and who are suffering to-day for God or truth?

Do you imagine that it would have done no hurt to their hearts if the movement to hold this meeting of protest had been damped out by the prudent calculations of some? If you do, you are much mistaken.

To them we offer the poor tribute of our love and our reverent admiration.

[Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WASON. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. Hooper].

Mr. HOOPER. Mr. Chairman and members of the committee, some days ago I listened with great interest to an address here by the very able Commissioner from Porto Rico, Judge DAVILA, and it reminded me of something I have meant to do for almost a year now past.

In March of last year I, with other members of the Insular Affairs Committee, went to the island of Porto Rico to investigate the conditions which had arisen in that island due to the terrific hurricane which had swept it in the preceding year.

My interest was greatly stimulated in the island. I formed during the comparatively brief time I was there friendships with the people of the island, which I hope will abide with me all of my life, and I have meant ever since my return home to secure some time on some occasion here in order that I might say something to my colleagues of the House about the problems of Porto Rico and the relation of that island to the United States, and also that I might let the people in whose company I spent a number of interesting and profitable days in that island know that there were some here among the membership of the House who appreciate the extent and the character of their problems.

Mr. FISH. Will the gentleman yield?

Mr. HOOPER. Certainly.

Mr. FISH. Would the gentleman mind in the course of his remarks telling the House whether it is true that during the first four years of public-school instruction they only teach the Spanish language? I have heard that statement made, and I want to know whether the gentleman can tell us whether it is true or not.

Mr. HOOPER. I can not answer the gentleman absolutely upon that point, but I think it is not true, for we visited during the course of this trip to Porto Rico a good many schools in the island where I think the children must have been under the age that the gentleman indicates by his question, and we found they were teaching the English language to these chil-

dren, and, I might add, teaching it to them, it seemed to me, very well indeed.

Mr. MICHENER. Will the gentleman yield?

Mr. HOOPER. Certainly.

Mr. MICHENER. I was in Porto Rico several years ago at the time Secretary Weeks was there, and we passed by a number of schools, and out in front of the schools the children were assembled and were singing in the English language *My Country 'Tis of Thee*.

Mr. HOOPER. Yes; I will say to my colleague from Michigan we had similar experiences to that, only the age of the children, of course, it would be impossible for me to tell. I remember some of them were little ones and many of the children with whom we came in contact were older.

Mr. FISH. If the gentleman gets any information on this point, will he make a point of putting that in the *RECORD* as an extension of his remarks?

Mr. HOOPER. If I can get that information I assure the gentleman I will be pleased to extend my remarks in that way. Now my talk is not of a controversial character, and if Members will all withhold their questions until I finish if I have time I will yield, and answer all questions.

What I wanted to speak of in the first place was the almost unbelievable results of the hurricane. We have appropriated considerable money for the people of the island in the last year and I can say in all good faith to the Members of the House who hear me that that money was not spent in vain, and it was as sorely needed as an money was ever needed in the history of our country and Porto Rico as well.

You know that there are only two principal crops on the island. They raise a variety of coffee, very excellent, and one which when you learn to drink it makes it difficult for you to forget it and to drink other kinds. Most of it is sent over to France and Spain. Down along the tropical coast of Porto Rico is the sugar region, and as you get into the uplands you find that coffee is the principal product of that region.

This coffee requires the shade of trees, and very fair-sized trees, in order to bring it out to the full productivity of the soil. Members of the House, it is no misstatement to say that virtually all of the shade trees protecting the coffee in the Island of Porto Rico were swept away by that terrific tempest.

It will be years and years before they can again secure the requisite shade in order to enable them to grow their coffee crop once more to make it their second principal product.

It was indeed illuminating to us to find what had been done in the island by the American Red Cross. If the people of Porto Rico were to take a vote as to what was the most splendid of all the American institutions, I am certain that most every vote in the island would be cast in behalf of the American Red Cross. Everywhere through the mountains, everywhere down in the deep gulches and in the valleys, you will find the handiwork of this great beneficent American institution. There is nothing elaborate; you will see modest little huts built for the people everywhere through the island. I am certain that many a Porto Rican has gone on his knees and blessed the American Red Cross since the hurricane swept over the island.

But I want to depart from that for a minute. I think, in the hurry, the activities, and complexities in this modern life of ours, we in this country are apt to forget Porto Rico and the far-flung possessions of the United States throughout the world. Judge DAVILA speaks in this body of his country now and then. But really it is comparatively seldom that a voice is lifted here about this beautiful little island possession.

We remember that it is not large in area; we remember that it literally fell into our hands as the result of the Spanish War. We know that the population has largely increased since 1898, and that there are now 1,500,000 people living in an area of about 3,600 square miles. We know, if we study this matter at all, that the population is so crowded in this little island that it is difficult for many people to find means of sustenance. We know that much of their means has been swept away.

The Porto Ricans are not a migratory people. I am told by those who know that they are in that respect like the peasants of France, that they are devotedly attached to the land of their birth and seldom go far from the blue skies and the green mountains of their home.

So Porto Rico has become more and more crowded year by year, and more and more it finds it difficult to sustain the life of its teeming population.

I would not care to be critical, but we observed one thing in our travels which might help if corrected; we were told that the waters of the island literally teemed with fish, but there is little fishing along the coast. You seldom see a fishing craft on the sea.

Strangely enough, the people of the island import codfish, as one of the principal staples of food, codfish and beans. I think

if some efficiency commission were to make a study of the food situation in Porto Rico, they might very well tell the people of the island that there is at their very door a fine and a staple supply of food in the fisheries that abound everywhere about them. But I am not here to criticize, I am here to praise, rather. I knew little about the island before I had gone there, although I had taken pains of course to read from time to time what came to my attention about it. We came away with this firmly in our minds, that nowhere in the United States is there a more patriotic people than the Porto Ricans. You can go on their fine highways from one end of the island to the other or across the island through the mountains, and everywhere you will see these little schoolhouses, everywhere you will see the American flag floating above them, and even on the automobiles in the island you will see the flag, and you will see it 10 times to 1 that you will observe it on the roads of the District of Columbia or in Maryland or in Michigan or Pennsylvania or anywhere else throughout the United States.

The people of Porto Rico are all citizens of the United States. They were made citizens by act of Congress, and there is virtually no percentage of the population which did not immediately take advantage of that fact and become citizens of this Republic. Yet the island of Porto Rico is in rather an anomalous position. It is neither fish, flesh, nor fowl in its relation to the United States. Hawaii is an integral part of the United States, and so is Alaska. Admittedly, the Philippine Islands are not a part of the United States. Porto Rico, with a full quota of American citizenship, with a population almost entirely composed of American citizens, has no status which has ever been fully defined. I doubt whether there is anyone in the United States who could define with accuracy just what the political relation of Porto Rico is to the United States. Yet in all human probability, as far as we can pierce the veil of the future, the destinies of Porto Rico will be bound up with those of the United States for all time. These people are loyal to the United States. There is no sentiment that I was able to find down there for independence. They realize the position in which they stand to the United States, and here is the fondest hope of the best class of Porto Ricans with whom we came in contact: They believe, and I think there is a good deal of justice in the belief, that in the years to come they are to act as a sort of interpreter between the people of the United States, with its Anglo-Saxon civilization of the north, and the people of South and Central America, with their Latin civilization. That is what you hear said by the leaders everywhere throughout Porto Rico, and I think there is a good deal of truth in it.

We Americans have talked among ourselves that in the event, the almost impossible event, of any trouble of a warlike nature occurring between the United States and Great Britain, an almost unthinkable thing, the people of Canada, who know us so well and whom we know so well, would be interpreters and peacemakers between our country and theirs, and in just a similar way these people down in Porto Rico believe that they finally will be a sort of intermediary between the United States and Latin America, and already that idea is beginning to ferment, already it is beginning to have results, because the people are going from American schools in Porto Rico down into Spanish America as engineers, as teachers, as scientific agriculturists, carrying down with them the learning which has come indirectly from the North and directly from the center of Latin civilization in the Caribbean Sea; and if they, a little people, a weak people, are able to have that come to be a reality in years to come, certainly they will contribute something very real, something concrete and substantial to the civilization and to the peace and the stability of the Western Hemisphere.

On this trip—and I wish I had time to talk of it in detail—we went to Ponce, the second largest city, on the southern side of the island, and there attended a session of the high school. The gentleman from Massachusetts [Mr. DALLINGER] spoke to the children and teachers of the high school in English. No one could have doubted, I would say to the gentleman from New York [Mr. FISH] if he were present at this time, that those young people in the high school, hundreds of them, understood every word that was said to them by the distinguished gentleman from Massachusetts.

No one could gainsay it, because they always caught the point of his remarks. They were always ready to applaud, and to applaud quickly and continuously, any patriotic sentiment that he uttered, and he uttered many of them. It was one of the finest and most affecting things I have ever witnessed in all my life—the eagerness of those young people for learning, their pride in the fact that they are sharing in the destiny of this Republic, the fact that they are American citizens and are to be American citizens in the future. I can say in all earnestness that all of these things weighed powerfully on these young

minds whom we saw in Ponce that day, and is it too much to believe that when this spirit, coming from such sources, is spread out all over the Southern Hemisphere, these people will be the torch bearers of the Anglo-Saxon idea of civilization to the people of the regions far to the south of us?

We had another meeting, a meeting of business and professional men from all over the island, at San Juan, and I wish you could have been there with us and could have seen the class of men with whom we came in contact. There was one man, Señor Chardon, the secretary of agriculture of the island, and you could find no finer or more notable man anywhere in the United States. I wish you could have met the judge of the supreme court of the island, Judge Del Toro, for you would have concluded that he would stand comparison with the very finest and best of our great American jurists. I wish you could have met Señor Vizcarrundo, head of the department of education on the island, and had seen whether he would not measure up in ability and in earnestness with most of the great educators throughout the United States.

I remember, if I may quote myself for a moment, saying at that time with earnestness and enthusiasm:

I hope you people here will get the best that can be obtained in your island of our civilization to the north, our civilization based on Anglo-Saxon ideals; but I hope also, and I hope it earnestly and fervently, that never in the course of your history in Porto Rico will you depart wholly away from your ancient Latin civilization—the civilization that goes back far beyond our own, that came to full flower in the genius of Cervantes and men of his kind; and I hope that our civilization and yours, through the aid of the bilingual school, may grow up side by side, each bearing its own particular flower, but that neither of them ever may be wholly destroyed.

Now, my time is almost exhausted, and I fear I have said nothing that adds accurately to your knowledge of Porto Rico or its problems. But it is a needy little country—a deserving little country. It is just as much a part of the United States as is the District of Columbia. The message that I hope to convey to you—and I am doing it to repay in some small degree the delicate kindness and hospitality we enjoyed in Porto Rico—is that we do not forget that country. I ask of you, do not fail to consider it as just as much a part of America as the soil on which we stand to-day. Let us consider its advancement sympathetically; let us interest ourselves in its problems and perplexities and its work and its onward striving.

There stands Porto Rico in close proximity to the Panama Canal. It is strategically the most important possession of the United States, outside of Hawaii, without question. Let us remember that although it is a tropical country and that its people are comparatively few and weak, yet, nevertheless, it is a part of our own country and that its people are Americans; and that just as we here are interested in the activities of the world as it goes just so are those people down there interested in our problems here in the United States; interested in our institutions and traditions, teaching their children to revere our great names in the same way as in our own schools.

They were delighted to know that Colonel Roosevelt was to become governor of that island because even the smallest child knows he is the son of that Colonel Roosevelt who helped to free their island and Cuba. They are a sentimental people.

They are hard-working, honest, and above all, they are Americans and our own fellow citizens. Let us remember that for untold generations they will share in our civilization. Porto Rico is a lovely gem in the imperishable sapphire of the Carib Sea, an outpost of American civilization and empire.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WASON. I yield to the gentleman one minute more.

Mr. DICKSTEIN. I would be very glad if the gentleman would tell the House about their social conditions. The gentleman has not covered that very fully.

Mr. HOOPER. I have not had time or opportunity to do that, but I saw something of the home conditions of these people during my visit there. Many of the people in Porto Rico live in a very primitive way, by necessity, because, as I have said, there is a constant struggle for daily bread, on account of the small amount of money that the average person can earn as compared with what can be earned in the United States. But we were assured down there that the condition of the people is infinitely better than it was under the Spanish dominion, and that they have better opportunity to make themselves useful; and these people are intelligent and able to work out their own salvation. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Florida [Mr. GREEN].

The CHAIRMAN. The gentleman from Florida is recognized for 10 minutes.

Mr. GREEN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and to include therein two or three short bills which I have introduced and a letter to the War Department and the reply received therefrom.

The CHAIRMAN. Is there objection to the request of the gentleman to extend his remarks in the manner indicated?

There was no objection.

Mr. GREEN. Mr. Chairman and my colleagues, I desire to speak to you briefly to-day about existing and proposed legislation which is of general interest to the country as a whole and of particular interest to my State. The first matter which I will discuss is the proposed canal across Florida, connecting the intracoastal waterway of the Atlantic Ocean with that of the Gulf of Mexico, or that program usually known as the intracoastal waterway from Boston to the Rio Grande.

In 1926 I introduced H. R. 8742, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, required and directed to cause a preliminary examination and survey to be made for a barge canal beginning in Cumberland Sound and terminating at or near the mouth of the Mississippi River, using the nearest, most practicable, and most feasible route which will permit the use of the waters of the St. Marys River of Georgia and Florida, the Sewanee River and St. Georges Sound of Florida, and all other rivers and bodies of water along and adjacent to such route, and provide a protected all-inland canal.

Sec. 2. That upon the making of such survey the Secretary of War shall report to Congress.

Sec. 3. That the Secretary of War shall ascertain the feasibility and practicability of such barge canal and in his said report to Congress give full detailed estimate of cost of such canal, a description of proposed route, dimensions of the proposed canal, amount of actual canaling, and every fact and circumstance which in his judgment will be necessary to convey full information as to such proposed barge canal.

We were able to incorporate the substance of this bill as an item in the 1927 rivers and harbors bill, which passed the Congress and became a law. Under the provisions of this bill an extended survey of the across-Florida canal is now well under way, and, in fact, we believe is almost concluded. From recent conferences which I have held with members of the House Rivers and Harbors Committee and with Major General Brown, Chief of the Board of Army Engineers, we believe that a report will soon be made by the Board of Army Engineers. We have been desirous of giving to the Board of Army Engineers full latitude in the survey, with the hope that after its best study and survey that a favorable report from the board may be had. In order to obtain the full interpretation of the 1927 act by the Chief of the Board of Army Engineers recently I wrote a letter to General Brown, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., January 30, 1930.

Maj. Gen. LITTLE BROWN,

Chief Board of Army Engineers,

War Department, Washington, D. C.

DEAR GENERAL BROWN: In 1927 I introduced a bill which was included in the rivers and harbors bill, providing for a survey of a canal across Florida from Cumberland Sound on the Atlantic via St. Marys, Okfenokee, and Suwannee River to the Gulf of Mexico.

I wish you would please advise me whether, under this provision, a complete and detailed physical survey can and will be made. For fear that same could not be made under this legislation I introduced another bill October 21, 1929, copy of which is herewith inclosed. My purpose is to obtain a full and complete physical survey of this route. Will you please advise me whether enactment of the inclosed bill is necessary?

I shall also appreciate anything that you may be able to do to the end that existing survey of this route is expedited and report promptly made.

Sincerely yours,

R. A. GREEN,
Member of Congress.

Recently I have received from General Brown the following reply:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, February 3, 1930.

Hon. R. A. GREEN,

House of Representatives, Washington, D. C.

MY DEAR MR. GREEN: 1. Allow me to acknowledge receipt of your letter of January 30, 1930, relating to the survey of a waterway from Cumberland Sound on the Atlantic coast across Florida and thence to the Mississippi River.

2. In reply it is desired to state that the river and harbor act approved January 21, 1927, contained an item authorizing a preliminary examination and survey of "waterway from Cumberland Sound, Ga.

and Fla., to the Mississippi River." The duty of making the preliminary examination was assigned to a special board of officers, of which Lieut. Col. Mark Brooke, 212 Customhouse, New Orleans, La., is the senior member. It is now expected that the report on the preliminary examination will be ready for submission to this office about March 1, 1930.

3. Further legislation at this time is not considered necessary, as under the present authorization all feasible and practicable routes will be investigated and reported upon.

Very truly yours,

LYTLE BROWN,
Major General, Chief of Engineers.

It is therefore evident that the Chief of the Army Engineers contemplates a full, detailed, and comprehensive physical survey of the proposed canal, and under this legislation. I am very hopeful that his report will be favorable to the project.

All of this intracoastal waterway has been approved and almost all of it constructed from Boston to Florida. Also the section from the Rio Grande to the Mississippi River, and from the Mississippi River to Pensacola, Fla., I believe, has now been approved and nearly all of it constructed. The Committee on Rivers and Harbors has recently approved a portion of this canal or waterway from Mobile, Ala., to Pensacola, Fla., so that this leaves that last portion from Pensacola, Fla., to the Atlantic Ocean as the unfinished link.

Mr. HILL of Washington. Mr. Chairman, will the gentleman yield there?

Mr. GREEN. Yes.

Mr. HILL of Washington. What is the mileage of the unfinished portion?

Mr. GREEN. The unfinished portion across the main peninsula of Florida varies from less than 75 miles to about 200 miles; different routes vary in length. The Cumberland Sound route as recommended by the Georgia Canal Commission and the Florida Canal Commission is the one mentioned in the bill just read and now under survey.

Mr. HILL of Washington. Is this embraced in the intracoastal canal system?

Mr. GREEN. Yes. It is a portion of the intracoastal system, from Boston to the Rio Grande.

Mr. LANKFORD of Georgia. Mr. Chairman, will the gentleman yield?

Mr. GREEN. Yes; I yield.

Mr. LANKFORD of Georgia. I would like for the gentleman to discuss, if he has time, the relative importance or merits of the proposed St. Lawrence River canal and this proposed canal connecting the intracoastal waterway of the Atlantic States with that of the States bordering on the Gulf of Mexico.

Mr. GREEN. I thank my friend from Georgia for mentioning the relative importance of these two projects. I have made some study of the two great projects and somehow I believe that the intracoastal canal, which will give a connection from the great lower Mississippi Valley to the Atlantic coast, is of equally great importance if not of greater importance than the St. Lawrence project. When the gentleman from Ohio [Mr. CHALMERS] was so ably discussing the St. Lawrence project to-day I was pleased to note that he expressed himself, in reply to my question, as being kindly disposed toward a connecting link across Florida. It seems to me it behooves the Members of the Congress to work together for a full realization of the best possible development of all of our waterways. I feel kindly disposed toward the full development of the waterways in the vicinity of the Great Lakes. I believe they are of importance, and I know that the Gulf-to-Atlantic canal, as has been so ably supported by the gentleman from Georgia [Mr. LANKFORD] and other Members of the Congress, is of very great importance.

Mr. McMILLAN. Will the gentleman yield?

Mr. GREEN. I yield.

Mr. McMILLAN. I would like to ascertain if it is the gentleman's view that this canal should be of such construction as to provide for ocean-going ships or merely for barge purposes. It seems to me that a canal of such importance as that ought to provide for ocean-going ships, so as to save that distance around the Florida peninsula.

Mr. GREEN. I will say for the information of my friends and colleagues that different suggestions have been made for barge canals and steamship canals across Florida, and the amount of mileage to be saved has been estimated at from 500 to 900 miles. Frankly, I am inclined to feel that ultimately the steamship canal is the solution, so that a boat may rapidly pass through from ocean to ocean. However, there are a great many people who have made studies of it who are inclined toward the barge canal, and I believe the main portion of the canal from Boston to the Rio Grande is a barge canal. But somehow my personal inclination is toward a steamship canal as

the best solution, and it is expected that the existing surveys will give estimates of cost of both barge and ship canals.

Mr. LANKFORD of Georgia. Will the gentleman yield?

Mr. GREEN. Yes.

Mr. LANKFORD of Georgia. Can not the situation be handled by a barge line being built at the present time to take care of the present commerce, and later that line changed into a sea level or steamship canal to take care of the future demands, or even a steamship canal constructed along an entirely different route?

Mr. GREEN. The bill which I introduced, and which was made a part of the 1927 river and harbor act, provides for such a survey, and we expect a full survey and report as to both barge and steamship canal.

Mr. LANKFORD of Georgia. It will be necessary for a survey to be made of the entire field to determine the cost, the feasibility, and practicability of each.

Mr. GREEN. We hope the Board of Army Engineers will so perform.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. GREEN. Yes; I yield to the gentleman from New York.

Mr. DICKSTEIN. What is the gentleman's plan under his proposed bill, and what is the plan of the engineers? Do they differ with the gentleman from Florida?

Mr. GREEN. The project is largely in the formative stage, and the Engineering Department has agreed to make full surveys and recommendations as will give us full information and guidance.

Frankly, I can think of no piece of legislation which would at this time mean so much to not only my State but to the country as a whole as would the construction of this canal. It would give direct connection between the ever-increasing volume of commerce and trade which is now carried on between the great Mississippi Valley, the South, and all States of the Atlantic coast, as well as give a direct route for international commerce which is plying between European countries, the Gulf States, Mexico, and Central America. As I see it, the construction of this canal is a crying need of this great commercial age. While we are not fully advised as to the probable cost of its construction, yet I predict that the great time and cost which would be saved to commerce by this connecting link would soon pay for the cost of construction.

It appears to me as a project which is fully warranted as a financial undertaking by our Government, and I firmly believe that a government which has recently been financially strong enough and with sufficient future vision to undertake the great projects which our Government has, will soon undertake and complete this project of a canal across Florida, connecting the Atlantic with the Gulf. I would have my colleagues to bear in mind that the Congress recently has authorized well over a hundred million dollars for a reclamation and conservation project at Boulder Dam; that we have appropriated millions for the successful completion of a number of other great reclamation projects in the West; that we have recently launched upon a program of the expenditure of what will eventually be possibly \$1,000,000,000 for flood control in the Mississippi Valley; that our Government has also in recent years accomplished that great engineering feat of the Panama Canal, which has already so fully demonstrated the wisdom, financially and otherwise, of its construction.

Numbers of other great undertakings and achievements by our Government are too numerous to mention in this limited time, but judging the future by past performances of our great Nation, I fully believe that the time is now ripe for us to construct this final link in the great intracoastal canal system. It has the indorsement of the Canal Commission of Florida, the Canal Commission of Georgia, the Mississippi Valley Waterways Association, the Atlantic Waterways Association, and numbers of other great and well-known associations and individuals. President Hoover recently said:

I doubt if since the days when we transformed transportation from the wagon to the railroad have we seen so positive an opportunity to assist the prosperity of our people.

We must envisage our inland waterways as great unified transportation systems, and not as isolated units.

Also in his speech at St. Louis, I believe, he said that the intracoastal canal system should be completed within 10 years. I take these statements as his indorsement of the across Florida canal project, therefore, I earnestly solicit the interest and cooperation of my colleagues in its prompt achievement. [Applause.]

Another bill in which I am particularly interested is H. R. 224, introduced by me some time ago, and is as follows:

Be it enacted, etc., That the Board of Managers of the National Home for Disabled Volunteer Soldiers is authorized and directed to

select a tract of land approximating 300 acres now owned by the Federal Government located in the State of Florida or to acquire land by donation and without expense, as a site for a branch home of the National Home for Disabled Volunteer Soldiers to be located in Florida. The land selected or acquired shall be transferred to the jurisdiction of the Board of Managers of said home, together with all books, maps, records, and other documents necessary for use, administration, and control of such land.

SEC. 2. The Board of Managers of the national home is authorized and directed to provide for the improvement of the land so selected or acquired and for the construction, equipment, operation, and maintenance thereon of suitable buildings for the use of a branch home.

SEC. 3. There is hereby authorized to be appropriated the sum of \$3,000,000 to carry out the provisions of this act.

Hearings were recently held on this bill and similar bills by the House Committee on Military Affairs. At that time Gen. George H. Wood, President of the Board of Managers of the National Military Homes for Disabled Volunteer Soldiers, and I and others appeared before the committee and spoke at length as to the necessity and importance of this legislation. These hearings are now printed and available. We are very hopeful of prompt and favorable action by the House Military Affairs Committee. General Wood believes that the establishment of a branch of the national home at this time in one of the States of the Southeast is very important and necessary.

I believe that if such a home is to be established by the Government, and I think it should be, that the State of Florida is the most suitable place for same. We have there the necessary climatic and other conditions for the best results from such an undertaking by our Government. The splendid hard roads and railroads in Florida, the availability at all seasons of the year of fresh fruits and vegetables, and the matchless climatic conditions of Florida naturally would make most suitable such a home for the ex-soldiers of our country, particularly those who are old or infirm.

I would like to call to the attention of my colleagues also that the United States Veterans Hospital, No. 63, at Lake City, Fla., recently had the lowest per capita maintenance cost of any veteran hospital in the country. Naturally it would be concluded that the per capita cost of maintenance of a soldiers' home, if located in Florida, would be less than that of any other in the country.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. GREEN. Yes; gladly.

Mr. DICKSTEIN. What does the gentleman's bill propose to do—to create a soldiers' home?

Mr. GREEN. Yes. A branch of the National Home for Volunteer Soldiers; a branch home in the State of Florida.

Mr. DICKSTEIN. For volunteer soldiers of every war?

Mr. GREEN. Of all wars; yes.

The land for such a home, of course, under the provisions of the bill is to be provided without additional cost to the Federal Government, and the bill provides for an appropriation of \$3,000,000 for construction. It is possible that this figure will be trimmed by the committee to \$2,000,000. I request the co-operation of my colleagues to the end that this bill be enacted into law.

Another bill which I have introduced and is of particular interest to the United Daughters of the Confederacy is H. R. 6348, as follows:

Be it enacted, etc., That the Secretary of War, in his discretion, is hereby authorized to deliver to the order of the Varina Davis Chapter, No. 1980, United Daughters of the Confederacy, Macclenny, Fla., auxiliary to the Florida Division United Daughters of the Confederacy, two trophy guns, stored in the Watervliet Arsenal, at Watervliet, N. Y., and described as follows: One 12-pounder, muzzle-loading, smooth-bore field gun, No. 122; diameter of bore, 4½ inches; length over all, 58½ inches; approximate weight, 1,200 pounds, "Confederate"; and one 12-pounder, No. 105, muzzle loading, smooth bore; length over all, 72 inches; diameter of the bore, 4½ inches; approximate weight, 1,200 pounds, "Confederate": *Provided*, That the United States shall be put to no expense in connection with the delivery of said guns.

This bill has been, I understand, favorably reported by the Subcommittee on Military Affairs and should appear on the calendar in the very near future. I would like to say to my colleagues that the State of Florida has expended considerable sums of money in marking and caring for this battle field at Olustee. Here was fought a battle of unusual importance to my State. It is quite appropriate that the Federal Government furnish and permit the erection of these two Confederate cannon at this place.

There are several other bills of importance which I would like to discuss if time would now permit, but it will not. I must, however, mention H. R. 4848, which I introduced last October and which provided for an appropriation of \$168,750 to furnish

tombstones or grave markers for the soldiers of the Confederate Army of our country. This is a bill of general importance to every State in the Union. These splendid soldiers of the Confederate States of America have been buried in cemeteries throughout the United States and I think it is quite appropriate that the Congress has decided to mark their graves. We were able, as my colleagues know, to include this appropriation in the general Army appropriation bill which recently passed the House.

In these last two bills mentioned it appears that sectional differences have faded away and we are now obtaining national sanction for legislation which is of importance alike to all American soldiers and for all sections of our great Nation. I am pleased, my friends, to see these things come to pass. I am pleased to see the high officials of our country visit and mingle with the citizens of the various States of the Union. I am pleased to see Presidents take their pilgrimages in Southern States. Even now we have in my own State of Florida a prolonged visit by ex-President Calvin Coolidge, and this week my State is happily receiving and entertaining President Hoover. [Applause.]

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. WASON. Mr. Chairman, I yield 15 minutes to my colleague from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, ladies and gentlemen of the House, I have introduced a bill (H. R. 9754) proposing an appropriation of \$50,000 for the erection of a monument on the battle field of Sackets Harbor, N. Y., to commemorate the life and deeds of Gen. Jacob Brown.

If I fail to convince the historically minded Members of the House of the outstanding military value of the achievements of this neglected soldier of the War of 1812, assuming they do not already know my hero's part in the making of America, then my case must fail.

SERVICES TO NATION

Who, then, was Gen. Jacob Brown? Let me say that General Brown in point of actual achievement on the battle field is historically the most commanding figure of the War of 1812. I say this without qualification. I say that it was his brilliant leadership in the dark hour of national distress that gave hope to the American cause, a leadership which, in a score of battles, never knew defeat. It was General Brown who, by his brilliant strategy and an unbroken succession of military victories, saved this Republic from a loss of territory in the War of 1812.

I say these things with full deference to the glorious achievements of General Jackson, who defeated the regulars of Wellington at New Orleans. The Battle of New Orleans was fought 15 days after the treaty of peace was signed at Ghent, and this fact permits high value to be given to the victories of General Brown, for they influenced the terms of the peace treaty.

I do not wish to detract from the luster which attached to the services of General Harrison in the West. Both of these men became national heroes, and their history is known to every American schoolboy. In addition, both of these outstanding and splendid Americans were rewarded by election to the Presidency. Their fame and glory are secure, but the memory of Jacob Brown, whose victories made the treaty of Ghent possible and prevented England from demanding as the price of peace the territory of the then Northwest, is dimmed by time and fast fading from the recollection of our people.

WAR OF 1812

It is not my purpose to discuss the causes of the War of 1812. Suffice it to say that the impressment of American seamen to the number of 6,000 or 7,000 was a contributing cause. This practice had aroused the patriotic spirit in America. In addition British orders in council, more oppressive and irritating than those that had started the fire of Revolution in America, characterized England's trade relations with this Nation. This despite the fact that America was a sovereign people. By these orders, America was forbidden to trade with any country other than Great Britain. We were permitted to trade with other parts of Europe only on condition of touching in England and paying duties. The future of America was clouded with uncertainty. Under the leadership of Clay, Calhoun, and new men from the South and the then West, the spirit of nationalism was roused in America. The reluctant Madison was forced to send a war message to Congress, which resulted in the declaration of war on June 18, 1812.

Let me briefly sketch General Brown's background. General Brown was born in Bucks County, Pa., in the historic year 1775. His forebears were of Quaker stock and he himself was of that persuasion. He was self-educated. In common with Washington and Lincoln he was a surveyor. His activities were far-flung. When 21 years of age he was appointed a surveyor of Government lands in Ohio and spent two years in that field.

His work in the wilderness completed, he returned to New York City, where he opened a private school and occasionally contributed a political article to the press of that day. Through these articles he was brought to the attention of Alexander Hamilton, who was greatly taken with this young man's charm and mental powers. As a result of this contact Hamilton made young Brown his military secretary. Through this duty and association our hero came into contact with the men who were the leaders of America. His duty with Hamilton ended when the threatened trouble between France and America passed.

HIS RECORD AS A PIONEER

Being of the soil and hearing of the virgin country in northern New York, Jacob Brown used his available means to purchase a tract of land in the Black River country, in what is now Jefferson County, N. Y. He had in his blood all the qualities of the pioneer. He and his associates carved out homes for themselves in the forests of the north country. He laid out the roads, developed the water power, and was instrumental in opening up this territory to the settlers from New England who flocked to that region. He founded Brownville and there erected a great stone house which stands to this day. Hough, in his History of Jefferson County, New York, sums up General Brown's standing with his neighbors as follows:

In his [General Brown's] public and private conduct and daily life they saw him in possession of sagacity and intelligence that led them to place confidence in his resources should emergencies call for their exercise, and the integrity of his private life convinced them that the public trusts with which he might be honored would be faithfully preserved.

SERVICE IN MILITIA

Jacob Brown was commissioned captain and colonel of the One hundred and eighth Regiment New York State Militia. In July, 1811, he was commissioned brigadier general. His letter to the governor of the State accepting the commission reflects his character and the depth of his convictions. I quote from that letter:

I am not one of those that believe a war with Great Britain is the best thing that can happen to my country. I believe that a war with the tyrant of the continent, some time past, would have been produced, and the honor of this Nation preserved in an amicable adjustment of difficulties with the manstealers of the ocean. As we are now surrounded by fogs and whirlpools, none save God and the pilot can say which course it is best to steer. But to my humble vision it appears that we must fight a battle with both belligerents or cease to prate of our national honor, of national sovereignty, and of national dignity.

The war came and General Brown was appointed by Governor Tompkins to command of the militia on the frontier from Oswego to St. Regis. This was a stretch of territory over 200 miles long, fronting either the St. Lawrence River or Lake Ontario.

THE INHABITANTS OF CANADA

Facing this territory on the north were the farms, cities, and villages of Canada. The Canadians on this part of the frontier were largely sons of loyalists who had fled from America at the close of the Revolution. They were a hardy breed, similar in racial make-up to the settlers on the American side of the line. Their fathers had sacrificed their all in behalf of the British Crown. They looked upon the experiment of self-government in America with distrust and genuine dislike. Their hatred of America was only equalled by their love for England. The War of 1812 was to them a holy war. They were material ready for the battle field.

On the Canadian frontier Great Britain had some 4,000 regular troops, including some of the most famous outfits in her service. The British had command of Lake Ontario by reason of larger ships and more guns. The war was not popular with certain groups in New York State and New England. It was called "Mr. Madison's war." The National Congress, after a declaration of principle, put over voting an appropriation until the next Congress. Confronted with these tremendous odds General Brown took command of the troops on this northern frontier. Through this sparsely settled region he traveled, holding meetings of the people to urge their support of the measures which he suggested for defense. So remarkable was his personality and standing that the response was ready and recruiting went on successfully.

On the 4th day of October, 1812, the city of Ogdensburg was attacked by a force that outnumbered the defenders 2 to 1. Holding the fire of his men until the enemy was close at hand General Brown opened up on the enemy, throwing them into great confusion and causing them to retreat.

BATTLE OF SACKETS HARBOR

The successful defense of Sackets Harbor was the next achievement of General Brown. At Sackets Harbor were then

building sloops of war which, if completed, would give the Americans supremacy on Lake Ontario. Sackets Harbor was poorly prepared for defense and was garrisoned by a small force of dismounted dragoons and recruits. Preparations for the attack were made at Kingston, Ontario, where 1,200 men under Sir George Prevost embarked on various ships of war, schooners, and barges. When the fleet appeared in the offing signal guns were fired and Brown rallied the neighborhood militia. The enemy landed from boats and were met by a galling fire from the troops of Brown.

It should be said in this connection that his distribution of the regular and militia troops was most skillful. He had taken advantage of the terrain in the most approved manner known to military science. He had disposed of his few artillery pieces to the best advantage. The fortunes of the day wavered. At one stage of the engagement the militia broke and retreated, leaving the rest of the line exposed to a flanking movement of the enemy. General Brown rallied these forces in person and led them back to their place in the firing line. Once rallied the militia fought like veteran troops. The British retired to the fleet leaving a considerable number of dead and wounded on the field. The enemy then made parley concerning the disposition of their wounded. General Brown's answer is characteristic. "Americans will be distinguished for humanitarianism and bravery," was his curt reply. The British fleet then turned about and returned to Kingston. As the result of this battle Brown was promoted and given the rank of brigadier general in the Regular Army. He was subsequently promoted to the rank of major general and placed in command at Niagara at the western end of Lake Ontario. While at this post he fought and won the Battle of Chippewa, defeating General Rall's forces with their auxiliaries, the Indians under Red Jacket.

LUNDY'S LANE

At Lundy's Lane he attacked a force of the enemy more than double the American troops in number. In this battle he departed from the traditional tactics of the day. Beginning his assault at sunset he continued it without interruption until daybreak. Here Brown was desperately wounded but would not leave the field. The British finally retired. Under his leadership the frontier from Niagara to the Canadian line on the north was held successfully.

ENGLAND'S INTENTION TO TAKE TERRITORY

England's intention, if she had gained a foothold in northern New York by the capture of Sackets Harbor, was to demand as the price of peace not only the territory of the Northwest but also that part of New York abutting on Lake Ontario and the St. Lawrence River. It is a fact that when the commissioners of peace met the English laid claim to all the territory abutting on these two bodies of water. They wanted to control the St. Lawrence from the Lakes to the sea. Had they succeeded at the Battle of Sackets Harbor there would have been just cause for their claim. In the peace negotiations Great Britain finally receded from her position and this most important territory from the standpoint of commerce, past, present, and future was saved the American Nation by General Brown's success on the field of battle.

The British fleet on Lake Ontario was larger and better equipped than the American fleet, but was successfully held in check largely through the instrumentality and insistence of Brown. The British land forces included veterans who defeated Napoleon at Waterloo, and in every battle in which General Brown engaged them they outnumbered him, sometimes as much as 2 to 1.

The failure of these veteran troops to obtain a foothold on American soil was doubtless the dominating influence in England's willingness to make peace. If the veterans of the Napoleonic wars could not defeat the raw American militia, the case was hopeless. No general ever fought under greater handicaps or against better trained troops, yet General Brown's magnetic leadership and remarkable personal courage was instrumental in always winning the day.

In Pratt's book, *Expansionists of 1812*, the author says:

Thanks to the stubborn fighting of Brown, the splendid victory of Macdonough on Lake Champlain, and the skillful diplomacy of its commissioners at Ghent, the United States secured peace without loss of territory—a much better peace than seemed possible in the summer of 1814.

The beneficial results of the war to America, however, were more far-reaching than mere acquisitions of territory.

In a study entitled "Economic Background of the War of 1812," Mr. Clarence R. Williams sums up the case most admirably:

The United States secured political independence from Great Britain by the Revolution, but economic dependence continued, to a considerable

extent, while thought and culture were still dominated by England. Her politics took their complexion, not from her own needs and her internal problems but from her foreign relations—one political party favoring France and the other England. After the War of 1812 the United States turned her eyes away from Europe and devoted herself to the solution of her own internal problems, of which the development of the West and the growth of democracy—in a measure its consequence—were the chief for a time. Therefore, in a sense, the War of 1812 was waged to secure from England a second and a genuine recognition of our complete independence, for that was what was actually secured by the United States through this struggle.

RECOGNITION BY CONGRESS

At the close of the war General Brown was placed in command of the Army of the North and General Jackson in command of the Army of the South. Nor was the Congress of that day dilatory in giving recognition to Brown's merit. On November 3, 1814, a resolution was passed by Congress, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the thanks of Congress be, and they are hereby, presented to Major General Brown, and through him to the officers and men of the Regular Army and of the militia under his command, for their gallantry and good conduct in the successive Battles of Chippewa, Niagara, and Erie, in Upper Canada, in which British veteran troops were beaten and repulsed by equal or inferior numbers, and that the President of the United States be requested to cause a gold medal to be struck emblematical of these triumphs and presented to Major General Brown.

This medal bears on one side his profile, after a painting by Sully, and upon the reverse it commemorates the Battles of Chippewa, Niagara, and Erie. The New York Legislature passed a series of resolutions in December, 1814, expressing their approbation and presenting a sword to General Brown.

In March, 1821, he was appointed General in Chief of the United States Army, in which post he remained until his death on February 24, 1828, at the age of 55. His death was hastened by the wound received at Lundy's Lane. An interesting side light on his character and personality is contained in the following letter from Lafayette to General Brown's widow:

PARIS, March 30, 1828.

MY DEAR MADAM: Amid the many heavy blows I have had to bear on this side of the Atlantic by the loss of a young and beloved granddaughter and of an old friend and relative, the melancholy account from Washington has filled my heart with inexpressible grief.

Previous information had led me to hope for improvement in the state of the excellent general's health and has rendered the lamentable event still more painful to me. You know, dear madam, the intimate and confidential friendship that had formed between us.

Our personal acquaintance was recent, although our characters had long been known to each other; but no old intimacy could be more affectionate, no mutual confidence better established.

While I deeply regret him on my own account, be assured, dear madam, that I most affectionately sympathize in your affliction and the feelings of your family.

My son and Monsieur L. Vasseur beg to be remembered, and I am most cordially.

Your affectionate mourning friend,

LAFAYETTE.

General Brown's death was announced in orders by the Secretary of War, at the direction of the President. It contains a recital of his deeds and achievements and it mirrors in dignified phrase the worth of the man. I quote it in full:

FEBRUARY 28, 1828.

The Secretary of War, by direction of the President of the United States, announces to the Army the painful intelligence of the decease of Major General Brown on February 24.

To say he was one of the men who have rendered most important services to his country would fall far short of the tribute due to his character.

Uniting with the most unaffected simplicity of character, the highest degree of personal valor, and of intellectual energy, he stands pre-eminent before the world and for future ages in that land of heroic spirits who upon the ocean and the land formed and sustained during the second war with Great Britain the martial reputation of their country.

To this high and honorable purpose General Brown may be said to have sacrificed his life, for the disease which abridged his days and has terminated his career (a period scarcely beyond the meridian of manhood) undoubtedly originated in the hardships of his campaigns on the Canada frontier and in that glorious wound which, though desperate, could not remove him from the field of battle until it was won.

Quick to perceive, sagacious to anticipate, prompt to decide, and daring in execution, he was born with the qualities which constitute a great commander.

His military coup d'œil, his intuitive penetration, his knowledge of men, and his capacity to control them, were known to all his companions in arms and commanded their respect; while the gentleness of his disposition, the courtesy of his deportment, his scrupulous regard for their rights, his constant attention to their wants, and his affectionate attachment to their persons, invariably won their hearts and bound them to him as a father.

Calm and collected in the presence of the enemy, he was withal tender of human life; in the roar of battle more sparing of the blood of a soldier than of his own.

In the hour of victory the vanquished enemy found in him a human and compassionate friend. Not a drop of blood shed in wantonness or cruelty sullies the purity of his fame.

Defeat he was never called to endure; but in the crisis of difficulty and danger he displayed untiring patience and fortitude, not to be overcome.

Such was the great accomplished captain whose loss the Army has now in common with their fellow citizens of all classes to deplore. While indulging the kindly impulses of nature and yielding the tribute of a tear upon his grave, let it not be permitted to close upon his bright example as it must upon his mortal remains.

Let him be more nobly sepulchered in the hearts of his fellow soldiers, and his imperishable monument be found in their endeavors to emulate his virtues.

The officers of the Army will wear the badge of mourning for six months on the left arm and the hilt of the sword.

Guns will be fired at each military post at intervals of 30 minutes from the rising to the setting of the sun on the day succeeding the arrival of this order, during which the national flag will be displayed at half-mast.

JAMES BARBOUR.

America is greatly in this soldier's debt. A study of his life and achievements would be beneficial to the American youth. I am asking to-day that a memorial, proper in dignity and artistic value, be erected to the memory of this gallant Quaker soldier, whose leadership, vision, and courage saved the honor of the Republic in the day of desperate stress. It is significant that the people of Canada are not remiss in their duty to their soldier dead. On the heights of Queenstown, almost within the sound of Niagara Falls, an imposing monument was erected to the memory of General Brock, who was killed on that battle field by some of General Brown's troops. General Brock was a gallant soldier and well deserves this memorial. His chief claim to fame, however, was his capture of Detroit, then under command of Gen. William Hull. It is fitting that this Congress should likewise honor the memory of the man who saved the northeastern frontier from the fate of Detroit. It will, at least, inculcate the spirit of patriotism in the hearts of our people. To thus keep alive the memory of Major General Brown is most certainly not an incentive to war, for he was "by birth, by education, by purpose devoted to peace. In defense of his country he was a warrior." [Applause.]

Mr. WASON. Mr. Chairman, I yield 10 minutes to the gentleman from Nevada [Mr. ARENTZ].

Mr. ARENTZ. Mr. Chairman and ladies and gentlemen of the committee, it is not my purpose to discuss fully this afternoon the matter of the Federal Power Commission. I want to put in the RECORD something I think of importance regarding it so that it can be brought to the attention of the Members of the House to-morrow in the RECORD.

We know that the water power of the United States is a very, very important natural resource. To my mind it is one of the most important natural resources of the United States. It is going to be a continuously important resource for all time.

The Federal Power Commission, organized in 1920, has carried on a wonderful work. This work has been carried on under great difficulties. The personnel has been entirely lacking to carry out sufficiently the purposes of the act.

Under the supervision of the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture, the Federal Power Commission has carried on this very important work, but as the Secretary of War has said time and time again—not only Secretary Weeks, but other Secretaries of War—he could give very little of his time to this important matter; the Secretary of Agriculture has said the same thing; and the Secretary of the Interior, with his manifold duties, finds it impossible to give much of his attention to the Federal Power Commission.

It is important to every citizen of the United States that something be done to carry forward the purposes of the Federal Power Commission act.

In the hearings on the independent offices appropriation bill, we see a very interesting colloquy between Mr. Bonner, the present executive secretary of the Federal Power Commission, and Mr. ALLEN and other members of the subcommittee of the Committee on Appropriations having this matter in charge. On

page 371, the gentleman from New Hampshire [Mr. WASON] says:

"Is it [speaking of the costs of projects being far from up to date] not also due to a small increase in personnel," referring to the increased appropriation for this year over last year, and Mr. Bonner answered that the accounting work is "somewhat in arrears."

It is very interesting to look back at the report of 1928 and to know how much in arrears the accounting work of the Federal Power Commission is.

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. ARENTZ. Yes.

Mr. COCHRAN of Missouri. If the gentleman will read the hearings very carefully, he will find there is considerable friction among the personnel of the Water Power Commission in reference to accounting.

Mr. ARENTZ. Oh, yes; after studying this subject for a long time I know that there is something wrong. I know it is a very important and a very complex question, but this is nothing that the average executive could not do if he wanted to do it had enough. In other words, the Federal Power Commission, if it has the mind to do it, can get the accounting of all the Federal power licenses up to date within the next two years; but, apparently, either the proper spirit is lacking or for some other reason it is not being done. I read further from the hearings—

Mr. COCHRAN of Missouri. Does not the gentleman feel that when the Congress of the United States charges the Secretary of War, the Secretary of Agriculture, and the Secretary of the Interior with this specific duty they should carry out the mandate of the Congress and not come back here and say that they have not time to do the work, or else they should come to the Congress and say that they want to be relieved?

Mr. ARENTZ. In answer to the gentleman from Missouri, this is what I want to do and I hope it is done very shortly in response to a visit I had with President Hoover regarding a reorganization of the Federal Power Commission. I talked at length with the President. I pointed out an idea I had regarding the reorganization of this commission on a workable basis. He is in full accord with it. He is so much in accord with it that before I made the trip to talk with him there had come down to the Committee on Interstate and Foreign Commerce, of which the gentleman from New York [Mr. PARKER] is chairman, a tentative bill. This bill was taken up by the gentleman from New York [Mr. PARKER] and turned over to the legislative drafting service of the House of Representatives to draw up a bill. The bill is now in the hands of the drafting service, and the gentleman from New York [Mr. PARKER] assures me that just as soon as certain important matters are settled in his committee he will take up the very important matter of the reorganization of the Federal Power Commission. If he does this, this is the thing that will result. It will result in the appointment of three—I think three is enough—or possibly five will be the ultimate solution, but there will be a commission of three or five members and these three or five commissioners will give all of their time to the Federal Power Commission.

When you consider the importance of the development of water power of the United States to every man and woman within its borders, certainly three men should give their entire attention to it, because the basis of rate making depends entirely on the cost of the separate items going to make the total cost of the several projects. We know that 50 years from the date of the license of each project, in some cases only 40 years from this date, the Federal Government can buy these projects—can recapture them at net cost. I tell you here and now that the American people, long before 50 years have elapsed, will be so determined to own in the public interest every public water-power project that they will recapture every project of any magnitude for the benefit of its citizens.

Electricity enters into the welfare of every home, of every industry, and is as important even at this date as the water turned on at the faucet. It will become more and more important as the years roll on.

The time to obtain the net cost of the projects or works for the development of electrical energy under Federal license is now—not years from now. To get at these costs now is in the interest of the public, in the interest of justice and equity to those who come after us. [Applause.]

Mr. COCHRAN of Missouri. Will the gentleman yield?

Mr. ARENTZ. I yield.

Mr. COCHRAN of Missouri. I want to commend the gentleman from Nevada for his interest in this matter, because the entire trouble with our power question has always been that it has been run by the executive secretary and not by the commis-

sion that the law prescribes shall conduct the affairs of the Water Power Commission. I hope his work will result in a bill being brought in which will provide that somebody will be at the head of the commission who will look after all of the affairs of the commission and not leave it to the executive secretary.

Mr. ARENTZ. Along that line I would like to read from page 376 of the hearings:

Mr. WASON (addressing Mr. Bonner). You have work enough to keep three lawyers busy the year around?

Mr. BONNER. I think we will, Mr. Chairman, as this accounting work gets further along. At the present time it is not possible to bring a lot of these cases up for final determination, because there is much work to be done by the companies in preparing their statements of cost.

You know, and every Member of this House knows, that the accounting of every major project in the United States is carried on as the work progresses and at the time the work is finished—like the contractors in Washington at the present time when a Federal building is completed say to the Federal Government, "You owe us so much."

The same thing applies to these projects, and for the commission to say at this time the work is not going on as fast is nothing but an absurdity. The power companies should be compelled to submit their cost data in detail at once on the completion of a project and be not permitted to dally further with respect to cost of projects completed years ago.

Under the present system, which can be referred to as the old system, Mr. Bonner says that there was authorization to employ one man who served as executive secretary; the rest of the headquarters staff was by detail from three departments. I am not finding fault with Mr. Bonner particularly. These remarks are directed against the system.

Is not that a splendid system to pursue in such an important problem as the development of water power in the United States? The statement by Mr. Bonner in these hearings differs greatly from the statement received from him under date of October 24, 1929—possibly he means the same thing, but they are put in a different way. I refer to the report on Senate bill 1606 and House bill 8141, under date of January 28, 1928.

Mr. Bonner, on page 385 of the hearings, says in connection with the major licenses issued—and these are the completed projects on which cost must be made—he said:

And there are about 100 of them that the cost or value has been settled in 25 cases and these are mostly small and aggregate in the total \$21,000,000. In addition, in 12 other cases the work has been completed, and that aggregates about \$15,000,000. But here are 10 other cases involving five and a half million dollars that have been partially audited.

That make 47 cases, and he says there are 25 additional ones that must be taken into consideration. That leaves better than 25 unaccounted for.

The report on the two bills handed me on October 24, 1929, by Mr. Bonner is a very splendid presentation of the facts. It is a year old, but by merely changing the date to read January 28, 1930, would in my opinion state the facts as they exist to-day in the Federal Power Commission. This statement is made in neither a spirit of censure or blame. It indicates that something is wrong and emphasizes the need for the immediate reorganization of this commission. My time has expired.

Mr. Chairman, I ask unanimous consent to extend paragraphs 23, 24, 25, 30, 31, 35, 37, 39, and 53 as a part of my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

VALUATIONS

Mr. ARENTZ. Mr. Chairman, section 23 of the act provides that when application is made thereunder for a license for a project already constructed, the fair value of such project shall be determined and shall be entered upon the books of the licensee as its "net investment" as of the date of the license. Provision is made for determination of such values by mutual agreement or, in absence of such agreement, by proceedings in the courts. Of the projects for which license has been issued, 36 were constructed or partly constructed prior to the passage of the Federal water power act.

24. Valuations of power projects require inventories of physical property, examination of the condition of the property to determine extent of depreciation, analysis of records and auditing of vouchers to determine charges to fixed capital accounts for new property added, and credits to such accounts for old property retired, and a careful study of intangibles, overheads, and other items entering into the total value claimed. This is work which can be properly performed only by experienced valuation engineers and accountants. Individuals of this character have not been available in the regular department

personnel. The commission has, therefore, been limited to such individuals as the departments were willing and able to employ for the specific purpose of assignment to the commission. For the performance of this work and other similar work herein-after described the commission has had one valuation engineer, and from one to four accountants—an average during the seven years of three individuals employed on this and all other similar work. With such a limited force, even if other similar and more extensive work did not exist, it has been and will be impossible to clear up the valuation cases within any reasonable period of time. Valuations must be made as of the date when licenses were issued. The longer the delay, the more difficult and the more expensive will it be to perform the work, for records will have become lost and individuals acquainted with the property will have gone elsewhere.

25. The commission has endeavored with the force assigned to it to complete as many cases as possible, and has, therefore, dealt with the simplest first. In none of the completed cases was it necessary to hold hearings. Some of the cases not yet completed will require extensive hearings, the taking of testimony, submission of evidence, and probably court action before a final settlement is effected. The commission does not have the necessary experts to make the examinations and prepare the records and reports, and it has no attorney experienced in valuations or in public utility law or practice.

26. The wide divergence between actual investment, which is the general basis recognized by the Federal water power act, and claims for "fair value" under the provisions of section 23 of the act in circumstances where that section applies, as that divergence has frequently been found in valuation cases, must finally lead to a judicial interpretation of the term "fair value" as used in the act—to a determination of whether this term is to be given a meaning independent of, or in harmony with, other provisions of the act. The commission can not with its present force undertake to carry these cases to a conclusion. To do so without technical preparation and without experienced legal assistance would be foolishly to risk scores of millions of dollars; for the amounts finally determined in these proceedings will be the amounts which the United States would be required to pay if it ever exercised its option to purchase at the termination of a license. They are likewise the amounts which would serve as the rate base if the commission ever exercised its authority of rate regulation. The settlement of this class of cases and of other similar cases to be later discussed is from the standpoint of the public interest, one of the most important features of the administration of the Federal water power act.

ACCOUNTING

30. The discussions before the committees and on the floors of Congress during the two sessions when the water-power bill was under consideration, as well as the provisions of the act itself, give adequate evidence of the intent of Congress to establish with respect to the use of the Nation's water-power resources a definite policy based upon the perpetual retention in public ownership and control of power sites on public lands and power privileges in navigable waters; and, as respects public regulation over or public purchase of these properties and privileges, the recognition of only the actual expenditures reasonably necessary for their acquisition and development. To carry out this policy provision was made for the issuance of "licenses," limited to a period of 50 years; for optional "recapture" by the United States at the termination of the license period, upon the payment of the "net investment"; and, in order to have adequate records upon which such investment could be determined, for the establishment and maintenance of a system of accounts by all licensees.

31. In the discussions in Congress emphasis was constantly being placed upon the desirability of definite records of expenditures and upon the important relation which such records would bear, both to rate regulation and to "recapture."

Those accounts, if we are to regulate rates and see that business is fairly conducted, must be at hand and made up from year to year. Without them nothing can be done in the way of securing continual good management, not to speak of recapture. (Mr. Parker, of New Jersey, vol. 56, CONGRESSIONAL RECORD, p. 9959.)

The fundamental and, I think, the most important advantage of the net investment basis is that of certainty, and that certainty means a certainty not only at the end of the 50-year period, but certainty of the amount invested every day, every month, and every year during the entire period of the lease. * * * It provides an absolute and determinable basis upon which rates may be based. We have had enough experience with railroad rate making, undertaken without any basis at all, to appreciate the necessity of beginning now, when we can enter upon the books every element of cost, to require the keeping of the accounts of these licensees in such a way that the Government may know at any moment just what amount the licensee has invested in

the plant. That can not be possible under any other plan than the one proposed in this bill. (Mr. Anderson, of Minnesota, id., p. 9966.)

35. These fundamental requirements of the Federal water power act can be complied with only if correct and honest records are made of all current transactions affecting the plant-investment accounts and the earnings of licensees. Failure in the administration of the provisions of the law above recited means failure in the very foundations of the Federal water power act itself.

36. There are two general groups of expenditures incurred in the development of power projects licensed by the commission: (1) Those incurred, prior to the issuance of license; and (2) those incurred subsequent thereto. Since all licenses are subject to the accounting regulations of the commission, which among other things, require preservation of vouchers or other evidence of expenditures, audit of "postlicense" claims is primarily concerned with determining not whether the expenditure has actually been made but whether it is a proper charge against plant investment account. With "prelicense" claims, on the other hand, it is necessary to determine not only whether the claims may properly be classified as capital costs but also whether they are actual legitimate costs as defined in the act.

37. Many projects for which applications for license are filed have been under promotion and in the process of development for many years; in some cases by individuals and in others by corporations. Expenditures have been made for preliminary surveys and tests. Payments have been made to lawyers and engineers for services. Properties in the way of lands, water rights, and flowage rights have been acquired. There have in some cases been lawsuits, receiverships, proceedings in bankruptcy, reorganizations, and transfers of ownership. Individuals have sold their rights and interests to other individuals or corporations, or, after acquiring property as individuals, have organized a corporation and transferred the property to it. Securities, particularly stocks, have been issued in payment for preliminary surveys, and lands and other property have been acquired in connection with the proposed development, only a part of which is finally subject to license. Not infrequently these "prelicense" claims aggregate millions of dollars, no small part of which is for interest accrued but not paid, running backward over many years and compounded to date. Records against which claims must be checked frequently are located in several States and involve not only the books of the licensee corporation but also those of affiliated corporations and of holding companies. The most difficult feature encountered, however, is the lack of records showing what has been expended, when and by whom, and for what purpose. In many instances thousands of dollars are claimed to have been expended for preliminary development and for investigations, and valuable rights, lands, and other properties have been acquired with no dependable record, and in some cases with no record at all of the items or amounts of expenditure.

39. The projects which were completed when license was issued, and those completed under license or now in course of construction will have an ultimate installation of over 4,500,000 horsepower, and if costs are estimated at only \$150 per horsepower a considerably smaller figure than has actually been found will involve aggregate costs of some \$675,000,000. Nearly 2,000,000 horsepower more are under license with construction not yet started. The total costs to be audited will be, therefore, approximately \$1,000,000,000. Every dollar entered in the fixed-capital accounts of a project is a potential public liability and would become an actual liability in case the project at termination of license should be taken over by the United States or by any State or municipality. It is of fundamental importance, therefore, that only actual legitimate costs be permitted to be entered on project fixed-capital accounts. With these scores of cases and these hundreds of millions of dollars involved it is ridiculous to assume that the commission, with only four accountants, can make any real headway, can enforce the law, or can protect the public interest. The commission has endeavored as far as possible to make mutual agreements on these matters with its licensees; but it is becoming more and more evident that in many instances such a procedure will not be possible, and that it will be necessary to summon licensees to formal hearings, to issue appropriate orders, and, if necessary, to enforce the orders by proceedings in the courts. This can not be done under existing circumstances. It was the situation as set forth in the preceding pages which led the commission to state in its recent annual report:

Such audits as the commission with its limited force has been able to make have disclosed in several instances what appears to be overcharging of investment accounts and questionable items in charges made by some holding companies to their subsidiaries under license. The commission can not with its present personnel make the investiga-

tions and conduct the hearings necessarily preliminary to the issuance of appropriate orders in these cases, and, in consequence, millions of dollars may be improperly entered in fixed-capital accounts of licensees.

53. The records show that total receipts have exceeded total expenditures ever since 1924; that accumulated total receipts overtook accumulated expenditures in 1927; that receipts collected specifically for reimbursing costs of administration have equaled such costs since 1927; and that the accumulation of these special receipts will probably overtake accumulated expenditures by the fiscal year 1930. The estimated excess of accumulated total receipts over accumulated total expenditures at the close of the fiscal year 1928 is more than \$150,000. The work of the commission is, therefore, on a self-supporting basis.

In closing, ladies and gentlemen of the House, I hope—I sincerely trust—that the gentleman from New York [Mr. PARKER], chairman of the Committee on Interstate and Foreign Commerce, will bring out this bill for the reorganization of the Federal Power Commission. I hope that it comes before this House within a reasonable time and passes, so that there will be sufficient time to pass it in the Senate before the adjournment, and if this bill passes, as I feel sure it must because of its importance, we can then create a real, honest-to-goodness power commission, with three commissioners, who will spend all of their time at it, who will see that accounts are kept up as suggested and will bring the old accounts up to date, because as the years roll on we are going to find it necessary to bring many of these cases to court to determine what is net investment and what is something else that looks very much like water. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield 15 minutes to the gentleman from Washington [Mr. HILL].

Mr. HILL of Washington. Mr. Chairman, the soil of America is being destroyed, continuously and rapidly. It is both washing away and blowing away. In great areas of most of the older States the soil has already been totally destroyed. In all of the States every year the soil is being wasted by the erosion of water and wind. The people are not awake to the alarming magnitude and significance of the rapid depletion of this greatest and basic natural resource. The top 6 inches of the soil are the richest in humus and plant food and with its wastage through erosion comes diminishing crops and vegetation until the soil loses its fertility and becomes incapable of producing any crops whether natural or cultivated.

The diminution or even exhaustion of the plant food in soil through the production of crops can be overcome by the application of fertilizer or through rotation, for the body of the soil itself is not reduced through crop production. But erosion not only takes away the humus and plant food, it also takes away the soil itself and leaves nothing to be fertilized.

Soil and water conservation are inseparable. This is particularly true in the Western States, where the protection of the watersheds is vital. In those States the controlling factor is water. The mountains are our reservoirs upon which are accumulated the snows of winter to supply irrigation water in the valleys during the growing season. Our watersheds are for the most part within the national forests. The proper conservation of the water and soil in these national forests means the conservation of the waters upon which the farmers are dependent for irrigation and domestic use, and upon which the cities, towns, communities, and industries are dependent for hydroelectric power. For a number of years there has been a shortage of water from the watersheds of the Pacific Coast States.

In my own State and district the prevailing opinion is that the contributing factors to this water shortage are subnormal precipitation, forest fires, and sheep grazing on the watersheds. It is claimed that sheep grazing is injurious to watersheds even under normal conditions, and that it is intolerable under conditions of drought, and also where forest fires have already destroyed the timber and brush covering of the soil. The question of the proper conservation of the watersheds in my district is acute. These watersheds, being largely in the national forests, are under the control of the Department of Agriculture. For a number of years the farmers have been petitioning the Secretary of Agriculture to remove the sheep from these watersheds. Their petitions have been denied. I have now in my office a copy of a petition to the Secretary of Agriculture for the same purpose. This petition is supported by farm organizations, game-protection associations, chambers of commerce, the board of county commissioners of Chelan County, Wash., and others. These people are desperately in earnest in this matter. They say that the water supply for their homes, their farms, and their orchards is in these watersheds and that the security of

their property values and all the institutions of their community life depend upon the protection of their water supply. They feel that these mountains and hills will serve a higher purpose in the conservation of water than as a sheep range. If the watersheds of the Wenatchee, Chelan, and Colville National Forests are destroyed, the counties of Chelan, Okanogan, Douglas, Ferry, Kittitas, and Yakima in the State of Washington will lose \$75,000,000 a year that they now receive from irrigated crops. It would mean that the greatest apple-producing section of the world would revert to desert. It would destroy prosperous cities, towns, and communities, with all their institutions and industries. It would mean a loss of capital investment of near a half billion dollars.

I understand that it is the view of the United States Forest Service that these watersheds are not being overgrazed. On the other hand, the people who are dependent on them for their water are almost a unit in saying that the sheep are destroying the grasses and other vegetation to the great detriment of the watersheds. This ought to be at least sufficient to raise a question in the minds of the Forest Service officials and the Secretary of Agriculture as to the advisability of discontinuing or at least greatly reducing sheep grazing on the watersheds in these national forests. If there is any doubt in the matter, it should be resolved in favor of conserving the watersheds as against sheep grazing.

The national forests were established as a conservation movement. They were established to conserve the timber and the water supply through the protection of the watersheds therein. The administration of the national forests should effectuate these primary economic purposes. If it fails to do that, the national forest policy is nullified. It is unquestionably true that the Forest Service officials and other divisions in the Department of Agriculture have given much and serious study to the conservation questions involved in the national forest policy. They have given attention to the grazing of sheep and cattle on these reserves and have established a grazing control system. They have also adopted a policy or system for the harvesting of timber. And, too, they have studied and adopted methods for protection against fire. The theory has been advanced that the hazard of forest fire is lessened by denuding the ground of grasses and other small vegetable growth, but this operation also contributes to soil erosion and the impairment of the watershed. It is a matter of common knowledge that watersheds, especially in the mountains and on steep slopes, require the covering of grasses, brush, twigs, leaves, litter, and other vegetable accumulations to protect the soil from erosion and to absorb and hold the water and to retard its flow over the surface. It is also a matter of common knowledge that sheep crop tender grasses to the roots, and when moving in bands destroy as much vegetation by trampling as by grazing.

It is recognized that any artificial disturbance of the natural vegetable covering of soil renders it more susceptible to erosion by both water and wind. Every practical-minded man agrees that a large band of sheep moving over ground cuts and breaks up the leaf and grass mold and other vegetable covering which protect the soil from washing and blowing away. When the soil is once denuded of vegetation it loses in great measure the capacity to absorb and hold water, and its destruction by erosion is begun. It can never be fully restored. There can be no doubt, it seems to me, that the pasturing of sheep in large bands on the watersheds will injure if not eventually destroy them both as watersheds and sheep pasture. This result has been demonstrated on the uncontrolled public-land pastures and on some of the national forests, notably in Utah and Idaho. The watersheds are too vital to the life and necessities of the great body of the people to permit them to be destroyed or impaired. Other places than on the watersheds can be provided for sheep pasture. Water is life in our Western States and it can only be supplied from our watersheds. It must be conserved at any cost. The time is inevitably coming when the sheep man must hunt other if not greener pastures. It is imperative from the standpoint of our farmers and people in the arid and semiarid areas of the Western States that the Secretary of Agriculture heed the demands for the protection of our watersheds from the grazing menace. To do so will return more money to the Federal Treasury through income taxes, than is or can be realized from grazing fees, and will bring incomparably greater wealth to the country from agricultural crops and livestock on the farms than from all the sheep that could be possibly crowded upon the watershed pastures.

At this point it may be of interest to know the amounts of the grazing fees for sheep on the three national forests in north central Washington for the fiscal years ended June 30, 1928, and June 30, 1929.

They are as follows:

	1928	
Wenatchee National Forest.....	\$5,320.72	
Chelan National Forest.....	5,164.79	
Colville National Forest.....	5,138.52	
	1929	
Wenatchee National Forest.....	5,450.38	
Chelan National Forest.....	5,278.47	
Colville National Forest.....	5,939.43	

These revenues to the Government are a negligible bagatelle in comparison with the incalculable value of unimpaired watersheds in these forests for agricultural and power development uses.

It is extremely unfortunate that the question of water and soil conservation has received so little attention at the hands of the people or of the Government. The Federal Government owns 190,000,000 acres of unreserved public lands and 160,000,000 acres of lands in the national forest reserves. The unreserved lands are being literally pastured to death. No conservation control whatever is exercised over them. Nothing at all is being done to stop or retard the destruction of their use and value through the wastage of their soil and the consequent drying up of their waters. Every year the arid areas of the Western States are being enlarged through the neglect of the Federal Government to protect its vast domain of unreserved public lands. The desert is steadily but surely moving upon us from all sides through the lack of soil and water conservation on the public domain.

That portion of the public lands which has been segregated and reserved as national forests has been placed under the administrative control of the Secretary of Agriculture "for the purpose," as provided in the act of 1897 (30 Stat. 11), "of securing favorable conditions of water flow and to furnish a continuous supply of timber for the use and necessities of citizens of the United States." The idea which moved Congress to create these forest reserves was the protection of timber and watersheds. This same protective purpose as to watersheds and timber was further asserted in the Weeks law of March 1, 1911 (36 Stat. 961). There can be no question that the national forests were created for the sole purpose of conserving timber and water.

In United States Department of Agriculture Bulletin No. 790, entitled "Range Management on the National Forests," watershed protection is recognized as one of the primary purposes of the national forests. This is a Forest Service bulletin, compiled and written by James T. Jardine, inspector of grazing, and Mark Anderson, grazing examiner. I read, on page 70 of that bulletin, the following:

One primary purpose of the national forests is to preserve the cover which regulates the flow of streams. Cover in this sense includes the tree cover, the herbaceous and shrubby cover, and the surface soil, with its decayed and decaying vegetable matter. This understanding of cover in relation to the regulation of stream flow is imperative in the management of grazing on the lands within the national forests.

In the National Forest Manual, Regulations and Instructions, issued by the United States Forest Service, the following statement of policy is found:

National forests have for their objects to insure a perpetual supply of timber, to preserve the forest cover, which regulates the flow of streams, and to provide for the uses of all resources which the forests contain, in the ways which will make them of largest service.

In so far as this statement of policy by the Forest Service may tend to place other uses of the national forests on a parity with, or paramount to, their uses for timber and watershed protection, it goes beyond the express purpose of Congress in creating them. It must be borne in mind at all times that the purpose of Congress in creating national forests was to protect timber and watersheds. Any use of these forests that interferes with that purpose and impairs that protection is plainly unwarranted and unauthorized. All other uses of the national forests must be subordinated to the one high purpose expressed in the act of Congress creating these national reserves. It is, of course, the duty of the Secretary of Agriculture to so administer them.

I would count it good administration to permit the largest possible beneficial use of the national forests within the limits of subserving the primary protective purpose of their establishment. The revenues to the Federal Treasury from such subordinated uses contribute materially toward the cost of administering the forests. However, the temptation to commercialize the resources of the national forests to the detriment of the watersheds and timber growth should not be permitted to develop.

A policy of administration of the national forests which does not both recognize and effectuate the paramount purpose of water and timber protection is contrary to the plain mandate

of Congress. What constitutes such protection may be simply stated as the prevention of soil erosion.

Again I read from Bulletin 790, at page 71:

Vital portions of many important watersheds are untimbered or sparsely timbered. The maintenance of stability and regularity in stream flow under such conditions is dependent upon the maintenance of an herbaceous and shrubby cover and a surface soil which will be effective in preventing erosion and unwarranted run-off. Maintenance of an effective vegetative cover is imperative. No half-way measures will do, and it is unwise to allow deterioration at all, as erosion and soil depletion may start and be difficult to control. Overgrazing and too early grazing must be avoided. * * * Total exclusion of stock from a watershed might be recommended as a means of protecting vital parts of that watershed. This procedure could hardly be considered a solution, however, because in practice stock would be excluded from a large area which has been used for grazing for a number of years, probably only after conditions had become so bad that total protection from grazing would not, in itself, remedy the condition. A practical solution must stop the breaking down of the cover when the break begins and where it begins. The idea that injury resulting in marked erosion and rush of water from a small part of a watershed is warranted, in view of the great value of grazing on the complete watershed, is dangerous. Where such a condition is thought to exist a solution must be found which will give the necessary protection.

Any agency, whether fire, grazing, or logging, which disturbs or destroys the vegetative covering or natural condition of the soil to the extent of contributing to its erosion is subversive of the policy of conservation expressed in the enactments creating our national forests.

The Federal Government, being the proprietor of more than 350,000,000 acres of land, including the national forests and the unreserved public domain, has a peculiar and large responsibility in respect to such lands as a conservator of soil and water. It is inexcusable not to protect them against wastage by erosion. It is against the needless impairment of the watersheds through overgrazing in the national forests that the people of Chelan County, Wash., are petitioning the Secretary of Agriculture. Surely the Secretary can not fail to grant the relief demanded.

The question of soil and water wastage is brought home to us with peculiar force in connection with the public-lands problem in the Western States. However, by far the larger aspect of the subject of soil erosion has to do with the farm lands throughout the entire country.

Mr. H. H. Bennett, in charge of soil erosion and moisture conservation investigations, United States Bureau of Chemistry and Soils, says that "Gully erosion has been largely responsible for the practical destruction of at least 17,500,000 acres of formerly cultivated land in this country." Also, that "Not less than 126,000,000 pounds of plant food material is removed from the fields and pastures of the United States every year." Mr. Bennett estimates the yearly loss to the farmers of this Nation on account of this wastage of plant food at \$200,000,000. He says, too, that plant food wastage by soil erosion, according to minimum estimates, is robbing the Nation twenty-one times faster than are the crops annually harvested, measured in tons of plant food lost.

For many years Mr. Bennett together with a small number of other farseeing men has given the subject of soil and water conservation the devoted and serious study which its great economic importance demands. For years they have diligently endeavored to awaken the sleeping public to the alarming fact that the greatest material heritage of man was being wasted and destroyed. They have labored, lectured, and written, contributed magazine articles and public documents, in the effort to bring home to the people a realization of this insidious and nation-wide menace.

Mr. F. L. Duley, in bulletin 211 of the agricultural experimental station of the University of Missouri, says:

Most of the worn-out lands of the world are in their present condition because much of the surface soil has washed away, and cause they have been worn out by cropping. Productive soil maintained through centuries of farming if serious erosion vented.

The States of Texas and Missouri, through their agricultural colleges, have established experimental stations for research and demonstrational work for the development of systems and methods of checking or retarding soil erosion on cultivated land. Other States are awakening to their own interest in this conservation problem and many of them will follow the lead of Texas and Missouri.

The United States Department of Agriculture, through a few trained men in its appropriate bureaus, has prosecuted investigations in the field of soil and water conservation over a period of several years, without specific appropriations or adequate

funds therefor. In 1929, for the first time, the appropriation bill for the Department of Agriculture carried an appropriation for the study of this question.

To HON. JAMES P. BUCHANAN, a Member of Congress from Texas, is due the credit for this appropriation. It was the Buchanan amendment to the appropriation bill for the fiscal year 1930 that added an appropriation of \$160,000 for this work on the part of the Federal Government. Similar appropriations will be carried in future appropriation bills. No field of research which the Government has entered can eclipse the importance of results to be accomplished through a nation-wide study of soil and water conservation.

When our water storages are destroyed and our soil is washed and blown away the civilization of America will decay. Water and soil are the sustenance of life, whether animal or vegetable. They are nature's laboratory, out of which come food, shelter, and clothing, the three indispensable necessities of man. All wealth comes from the soil, all life depends upon it. The roots of civilization and the progress of mankind are in the soil. It is the basic resource of all nature. It is nature's provision for the support of all material life. It is nature's capital investment for man, from the increment of which he is to provide himself with the necessities for his comforts and progress. One generation after another should be permitted to succeed to the benefits of this endowment without diminution. This basic resource should remain inviolate and not be wasted as it passes down the ages. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield five minutes to the gentleman from Tennessee [Mr. McREYNOLDS].

Mr. McREYNOLDS. Mr. Chairman and gentlemen of the House, during the Seventieth Congress there was passed what is known as the migratory bird bill. A bill of that kind had been pending for quite a number of years, and was considered of great importance by many people who were supporting this legislation and were interested in it. The act provides that a commission shall be appointed in the establishment of sanctuaries for migratory birds. This commission consists of three members of the Cabinet, to wit, the Secretary of Agriculture, who shall be chairman, the Secretary of the Interior, and the Secretary of Commerce, two Members of the Senate to be appointed by the President of the Senate, and two Members of the House to be appointed by the Speaker of the House. The President of the Senate appointed Senator Norbeck and Senator Hawes. The Speaker of the House appointed Mr. Ackerman and myself. Since that time many inquiries have been made as to what that commission has done and what has been done toward the carrying out of the purposes of this act. The commission not having been called together, a few days ago I sent a letter to the Secretary of Agriculture, asking him what has been done and to furnish me information, and his letter in reply I ask the Clerk of the House to read in my time.

The CHAIRMAN. Without objection, the Clerk will read. There was no objection, and the Clerk read as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., February 3, 1930.

HON. SAM D. McREYNOLDS,
House of Representatives.

DEAR MR. McREYNOLDS: Your letter of January 27 has been received in the absence of Secretary Hyde, who is out of the city for some days.

The first appropriation under the migratory bird conservation act—\$75,000 for the fiscal year ending June 30, 1930—is being used for the purpose of examining areas of marsh lands and water throughout the United States to determine which ones are the most suitable and necessary as sanctuaries for the protection of our wild life. Over 100 areas fairly well scattered throughout the United States have been investigated by representatives of the Bureau of Biological Survey in this connection. These examinations require the services of biologists capable of passing upon the fitness of the lands from the standpoint of the birds, as well as the services of men capable of surveying the areas and determining their value and the prices at which they are held.

It has been the aim of the department to be in the possession of sufficient facts during the coming spring to enable it to outline for the consideration of the commission a program of refuge acquisition, so that the purchase of a number of areas could be recommended as soon as the appropriation of \$200,000 for the fiscal year 1931 becomes available. We are already in the possession of information in regard to certain desirable tracts, and it should not be long before the Secretary may have the opportunity of calling the members of the commission together to consider definite recommendations which will then be made for the acquisition by purchase or lease of the lands which it would appear should be first acquired.

The acquisition of refuges for migratory waterfowl is a matter in which the department is, of course, deeply interested. We sincerely hope that it may be possible to proceed with dispatch in the work of acquir-

ing Federal migratory-bird sanctuaries. You will appreciate, I am sure, that the delay in calling a meeting of the commission has been due to our desire to have definite data to place before the members.

A copy of this letter will go to the other members of the commission. Sincerely,

R. W. DUNLAP, Acting Secretary.

There have been so many inquiries as to just what was being done by this commission, that I have seen fit to give the information to the House and to those who may be interested. [Applause.]

Mr. WASON. Mr. Chairman, this finishes general debate so far as we know, except the explanatory statements of the two ranking members on the committee, the gentleman from Virginia [Mr. WOODRUM] and myself. With those, we will proceed on Thursday, and as soon as those statements are completed, we will begin the consideration of the bill under the 5-minute rule and hope to get through with it early Friday afternoon.

I move that the committee do now rise.

The motion was agreed to; and the Speaker having resumed the chair, Mr. DOWELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9546 and had come to no resolution thereon.

PERMISSION OF POST OFFICE COMMITTEE TO SIT DURING THE SESSIONS OF THE HOUSE

Mr. SANDERS of New York. Mr. Speaker, I ask unanimous consent that the Committee on the Post Office and Post Roads may be permitted to continue its hearing during the sessions of the House for two weeks.

The SPEAKER. The gentleman from New York asks unanimous consent that the Committee on the Post Office and Post Roads may sit during the sessions of the House for two weeks. Is there objection?

Mr. BANKHEAD. Mr. Speaker, reserving the right to object, has the gentleman taken this up with the ranking Democrat on that committee, or with the minority leader [Mr. GARNER]?

Mr. SANDERS of New York. I have not, though I will be glad to do that if the gentleman desires. I do not think there can be any objection.

Mr. BANKHEAD. I do not know that there is, but that is the usual practice.

Mr. SANDERS of New York. Is there anyone here acting in his behalf?

Mr. BANKHEAD. I do not know. I am not, but I am taking the liberty of making this inquiry. I shall not object.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. SPROUL of Kansas. Mr. Speaker, I ask unanimous consent that at the conclusion of the speech of the gentleman from New York [Mr. LA GUARDIA], on Saturday next, I be permitted to address the House for 45 minutes.

The SPEAKER. Is there objection?

There was no objection.

ORIGIN OF MOTHER'S DAY

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD upon the origin of Mother's Day, and also to incorporate therewith an editorial upon the same subject.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, one of the most blessed of all anniversaries is Mother's Day. The very name of this anniversary makes a thousand bells to tinkle in our recollection. It sends us back to first principles and revives all of the halcyon memories of childhood. It brings before the vision of every one of us the sweetest face we have ever known; we see her smiles and tears and once more hear her sing her lullabies. It makes our hearts throb and our voices choke as we recall the unfathomable devotion of "mother," how she toiled and suffered and the privations she cheerfully endured that we might be fed and clothed and trained to do the part of honest and upright citizens in the varied activities of life.

It is to me a source of special pride that the city which I have the honor to represent in the Congress of the United States was the birthplace of Mother's Day. A silver-tongued orator of Indiana—Frank E. Hering—first coined the sacred phrase which is now recurrently heard around the world. The Order of Eagles, of which he has long been an outstanding leader, took up the slogan; and giving expression to the mother love that is in the hearts of all of us, it has striven worthily and accomplished a great deal toward throwing the encircling arms of

love and protection around the poor and aged mothers of the land.

A most interesting account of the origin of Mother's Day is contained in an editorial that appeared in the Indianapolis Times on February 7 last. Mr. Boyd Gurley, the author of the editorial, is a patriotic and brilliant newspaperman who in 1928 was awarded the Pulitzer gold-medal prize in competition with all of the editors of America for the most distinguished public service rendered by the newspaper profession during that year. The editorial in the Indianapolis Times is as follows:

A REAL ANNIVERSARY

This city has many anniversaries which it celebrates in pride and thankfulness, the birthdays of those who served the Nation and humanity well, of soldiers and of statesmen who won glory and gratitude, of poets who wrote songs that are immortal, authors whose messages remain for the ages.

To-day is a different sort of an anniversary. It is the birthday anniversary of an idea which became an impulse; an impulse that became a great movement.

On the evening of February 7, 1904, the English Opera House was crowded. Those who assembled belonged to the lodge of Eagles.

The speaker was a young professor from Notre Dame, notable chiefly as being the first Protestant to hold such a position in that university. Otto Deluse had found him at South Bend and been impressed by his oratorical charm.

He did not suspect that the event was to make history.

It was on that night that Frank E. Hering, in a burst of oratory, traced all the goodness of men to mother love, all the advancement of civilization to the sacrifices of motherhood, all the hopes of the future to the influence of mothers.

He urged that in every Eagles' lodge one day be set aside each year in which men would remember their mothers, and in that memory lift themselves from sordid thought to higher planes of action.

The idea caught and held attention. It was an appeal to something fundamental. It tapped the wells of all inspiration.

So it happened that in many Eagles' lodges, long before Mother's Day became a national institution, programs each year were held to honor the mothers of men. The idea that found expression in the English theater had become a movement.

When, a few years ago, the American War Mothers became interested in tracing the origin of this national anniversary they searched the records. Others claimed recognition to this honor. But the War Mothers, one of the few bodies chartered by Congress, decided that Frank E. Hering was the real "father of Mother's Day."

Last fall they sent a committee to his home in South Bend to pin upon his breast their medal of honor, awarded to but three others, all from military life. His is the only award to a civilian.

An idea once started does not die. It grows. Out of it, almost as a corollary, came the national crusade by the Eagles for old-age pensions, a crusade that has resulted in such laws in several States, and seems fated to become a law sooner or later in all States.

Without Mother's Day, and the sentiment it brings to the surface in men's hearts, the old-age pension movement might never have appeared.

From that same Mother's Day there can be predicted other movements that will seek to soften the burden of sacrifice; that will remove the menace of heartbreak and woe; that will rob motherhood of much of its sorrow and leave it only its glory.

It is well to remember anniversaries, especially of imperishable ideas. It is also well for Indianapolis to remember in pride that with her other contributions to progress and civilization it furnished the birthplace for a great idea from which has come better things for all.

AMENDMENTS TO THE CONSTITUTION OF THE UNITED STATES SUBMITTED TO THE STATES BUT NOT RATIFIED

Mr. RAMSEYER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the five amendments to the Constitution of the United States submitted to the States that have not been ratified, and in my remarks to include the text of these amendments, the dates submitted, and the action of the several States on each of these amendments.

The SPEAKER. Is there objection?

There was no objection.

Mr. RAMSEYER. Mr. Speaker, since the adoption of the Constitution of the United States Congress has submitted 24 amendments to the Constitution to the legislatures of the several States. Nineteen of the amendments submitted have been ratified and are now a part of the Constitution. Five of the proposed amendments have not to date been ratified by the required number of State legislatures. I shall now present to the House the text of each of these five amendments, the date submitted, and the action taken thereon by the States.

1. To amend article 2, relating to the compensation of Members of Congress. Submitted September 3, 1789.

Article the second. * * * No law varying the compensation for the services of the Senators and Representatives, shall take effect, until

an election of Representatives shall have intervened. (Documentary History of the Constitution, vol. 2, p. 322.)

NECESSARY FOR RATIFICATION, 11

Ratified by Maryland, North Carolina, South Carolina, Delaware, Vermont, and Virginia, 6.

Rejected by New Jersey, New Hampshire, Pennsylvania, New York, and Rhode Island, 5.

No action by Massachusetts, Connecticut, and Georgia, 3.

2. To amend article 1, relating to apportionment of Representatives. Submitted September 25, 1789.

Article the first. * * * After the first enumeration required by the first article of the Constitution, there shall be 1 Representative for every 30,000, until the number shall amount to 100, after which the proportion shall be so regulated by Congress that there shall not be less than 100 Representatives nor less than 1 Representative for every 40,000 persons, until the number of Representatives shall amount to 200, after which the proportion shall be so regulated by Congress that there shall not be less than 200 Representatives nor more than 1 Representative for every 50,000 persons. (Documentary History of the Constitution, vol. 2, pp. 321-322.)

NECESSARY FOR RATIFICATION, 11

Ratified by New Jersey, Maryland, North Carolina, South Carolina, New Hampshire, New York, Rhode Island, Virginia, Pennsylvania, and Vermont, 10.

Rejected by Delaware, 1.

No action by Massachusetts, Connecticut, and Georgia, 3.

3. To amend relating to titles of nobility. Submitted April 27, 1810.

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them, or either of them. (Documentary History of the Constitution, vol. 2, p. 452.)

NECESSARY FOR RATIFICATION, 13

Ratified by Maryland, Kentucky, Ohio, Delaware, Pennsylvania, New Jersey, Vermont, Tennessee, Georgia, North Carolina, Massachusetts, and New Hampshire, 12.

Rejected by New York, Connecticut, South Carolina, and Rhode Island, 4.

No action by Virginia, 1.

4. Amendment abolishing slavery prohibited. Submitted March 2, 1861.

ARTICLE XIII. No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (Documentary History of the Constitution, vol. 2, pp. 516-517.)

NECESSARY FOR RATIFICATION, 25

Ratified by Ohio, Maryland, and Illinois, 3.

No action by 30 States.

5. Amendment relating to child labor under 18 years of age. Submitted June 3, 1924.

ARTICLE —

SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress. (U. S. Stats. L. vol. 43, pt. 1, Public Laws, p. 670.)

NECESSARY FOR RATIFICATION, 36

Ratified by Arizona, Arkansas, California, Montana, and Wisconsin—5.

Ratified by one house in New Mexico and Nevada—2.

Rejected by Connecticut, Delaware, Florida, Georgia, Indiana, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, New Hampshire, North Carolina, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, and West Virginia—24.

Rejected by one house in Idaho, Louisiana, Michigan, Nebraska, North Dakota, Ohio, Oklahoma, Oregon, and Wyoming—9.

Indefinitely postponed by one house in Colorado and Iowa—2.

No action by Alabama, Illinois, Mississippi, New Jersey, New York, and Rhode Island—6.

Mr. Speaker, the question has been asked me a number of times what would be the effect if hereafter three-fourths of the State legislatures should ratify any one of these five amendments? In other words, are the proposed amendments to the Constitution dead because of the failure of the States to ratify within a reasonable time after their submission? The Supreme

Court has never had this question before it. The student of government will find an interesting and instructive discussion indirectly bearing on this question in *Dillon v. Gloss*, 256 U. S. 368. On this question during the debate in this House on the Norris-White amendment to the Constitution, I said:

Mr. Chairman, in conclusion permit me to call attention to some data of historic interest in connection with constitutional amendments. To date there have been 24 amendments proposed to the Constitution of the United States, and 19 of these have been ratified by the legislatures of three-fourths of the States. Some of these 19 amendments were ratified within a single year after their proposal and all within four years. Of the five amendments that have not yet been ratified by the requisite number of States, 2 were proposed in 1789, 1 was proposed in 1810, 1 in 1861, and 1 in 1924. I think a fair and reasonable conclusion from the discussion in *Dillon v. Gloss*, supra, is that further action by the State legislatures to ratify the outstanding amendments, except the one proposed in 1924, would be declared to be invalid by the Supreme Court. (CONGRESSIONAL RECORD, vol. 69, part 4, 70th Cong., 1st sess., March 9, 1928, pp. 4428-4429.)

THE PRIVATE CALENDAR

Mr. TILSON. Mr. Speaker, I ask unanimous consent that in the calling of the Private Calendar to-morrow the call begin at the place where we left off on the last day on which the calendar was called.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that to-morrow during the consideration of bills on the Private Calendar the call shall start at the star. Is there objection?

Mr. HARE. Mr. Speaker, reserving the right to object, I understood that the last time when we had this calendar called a large number of bills were objected to for the purpose of considering them in the interim. I am wondering whether or not there will be another day any time soon devoted to the consideration of the Private Calendar?

Mr. TILSON. I think there will be other days to follow, not many days hence, perhaps a week or 10 days. That is my present intention.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

Leave of absence was granted to Mr. TAYLOR of Tennessee, until the end of the week, on account of attending Lincoln Day dinner and official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 3371. An act to amend section 88 of the Judicial Code, as amended; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2824. An act to amend section 5 of the act entitled "An act to establish a national military park at the battle field of Fort Donelson, Tenn.," approved March 26, 1928;

H. R. 7372. An act to revive and reenact the act entitled "An act granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the Tennessee River on the Waverly-Candlen Road between Humphreys and Benton Counties, Tenn.;" and

H. R. 7373. An act to revive and reenact the act entitled "An act granting permission to the State Highway Commission of the State of Tennessee to construct a bridge across the Tennessee River at Savannah, Hardin County, Tenn., on the Savannah-Selmer Road."

ADJOURNMENT

Mr. WASON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 23 minutes p. m.) the House adjourned to meet to-morrow, Wednesday, February 12, 1930, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following list of committee hearings scheduled for Wednesday, February 12, 1930, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m. and 2 p. m.)

District of Columbia appropriation bill.

(2 p. m.)

Navy Department appropriation bill.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

(10 a. m.)

To amend the World War veterans' act, 1924, as amended (H. R. 8134).

COMMITTEE ON NAVAL AFFAIRS

(10.30 a. m.)

To consider private bills.

COMMITTEE ON POST OFFICES AND POST ROADS

(10 a. m.)

To provide a shorter workday on Saturday for postal employees (H. R. 166, 167, 2898, 6603).

To amend the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment (H. R. 1228).

Granting leaves of absence with pay to substitutes in the Postal Service (H. R. 3087).

Granting equipment allowance to third-class postmasters (H. R. 229).

COMMITTEE ON THE JUDICIARY

(10 a. m.) caucus room

Proposing an amendment to the Constitution of the United States (H. J. Res. 11, H. J. Res. 38, H. J. Res. 39, H. J. Res. 114).

Proposing an amendment to the eighteenth amendment of the Constitution (H. J. Res. 99).

Proposing an amendment to the Constitution of the United States providing for a referendum on the eighteenth amendment thereof (H. J. Res. 219).

COMMITTEE ON FLOOD CONTROL

(10.30 a. m.)

To consider amendments to the Mississippi flood control act, 1928.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

318. A letter from the general counsel of the Chesapeake & Potomac Telephone Co., transmitting comparative general balance sheet of the Chesapeake & Potomac Telephone Co. for the year 1929; to the Committee on the District of Columbia.

319. A letter from the Secretary of War, transmitting proposed draft of a bill to credit officers with service at the United States Military Academy; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. VESTAL: Committee on Patents. H. R. 2828. A bill to protect trade-marks used in commerce, to authorize the registration of such trade-marks, and for other purposes; with amendment (Rept. No. 657). Referred to the Committee of the Whole House on the state of the Union.

Mr. FISHER: Committee on Military Affairs. H. R. 233. A bill to approve the action of the War Department in rendering relief to sufferers of the Mississippi River flood in 1927; without amendment (Rept. No. 658). Referred to the Committee of the Whole House on the state of the Union.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 6591. A bill authorizing the Secretary of War to grant to the town of Winthrop, Mass., a perpetual right of way over such land of the Fort Banks Military Reservation as is necessary for the purpose of widening Revere Street to a width of 50 feet; without amendment (Rept. No. 659). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT: Committee on Public Buildings and Grounds. H. R. 9437. A bill to authorize a necessary increase in the White House police force; without amendment (Rept. No. 660). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. CLARK of North Carolina: Committee on Claims. H. R. 494. A bill for the relief of Catherine White; with amendment (Rept. No. 650). Referred to the Committee of the Whole House.

Mr. FITZGERALD: Committee on Claims. H. R. 636. A bill for the relief of certain persons of Schenley, Pa., who suffered damage to their property as a result of erosion of a dam.

on the Allegheny River; with amendment (Rept. No. 651). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on Claims. H. R. 789. A bill for the relief of Morris Dietrich; without amendment (Rept. No. 652). Referred to the Committee of the Whole House.

Mr. CLARK of North Carolina: Committee on Claims. H. R. 937. A bill for the relief of Nellie Hickey; without amendment (Rept. No. 653). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 1092. A bill for the relief of C. F. Beach; without amendment (Rept. No. 654). Referred to the Committee of the Whole House.

Mr. CHRISTGAU: Committee on Claims. H. R. 1306. A bill for the relief of Charles W. Byers; without amendment (Rept. No. 655). Referred to the Committee of the Whole House.

Mr. CLARK of North Carolina: Committee on Claims. H. R. 1509. A bill for the relief of Maude L. Duborg; with amendment (Rept. No. 656). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 1592) for the relief of William Meyer; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 3136) for the relief of D. F. Phillips; Committee on the Judiciary discharged, and referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHALMERS: A bill (H. R. 9753) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. CULKIN: A bill (H. R. 9754) to authorize the erection on the battle field of Sackets Harbor, N. Y., of a monument to Maj. Gen. Jacob Brown; to the Committee on Military Affairs.

By Mr. GRIFFIN: A bill (H. R. 9755) providing for a medal of honor and awards to Government employees for distinguished work in science; to the Committee on the Library.

By Mr. JOHNSON of Washington: A bill (H. R. 9756) to provide for the appointment of an additional district judge for the western district of Washington; to the Committee on the Judiciary.

By Mr. LANKFORD of Georgia: A bill (H. R. 9757) to provide for the preservation of certain churches in the District of Columbia as memorials and shrines, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. WOOD: A bill (H. R. 9758) to authorize the Commissioners of the District of Columbia to close certain portions of streets and alleys for public-school purposes; to the Committee on the District of Columbia.

By Mr. ESLICK: A bill (H. R. 9759) to provide for the commemoration of the Battle of Franklin, Tenn.; to the Committee on Military Affairs.

By Mr. HAUGEN: A bill (H. R. 9760) to define fruit jams, fruit preserves, fruit jellies, and apple butter, to provide standards therefor, and to amend the food and drugs act of June 30, 1906, as amended; to the Committee on Agriculture.

By Mr. LEAVITT: A bill (H. R. 9761) to authorize the issuance of patents in fee for Indian homesteads on the Crow Reservation, the Blackfeet Reservation, and the Fort Belknap Reservation in the State of Montana, upon written application therefor; to the Committee on Indian Affairs.

By Mr. LEHLBACH: A bill (H. R. 9762) to provide for the retirement of officers and employees of the legislative branch of the Government, and for other purposes; to the Committee on Accounts.

By Mr. HARE: A bill (H. R. 9763) to amend an act entitled "An act to prevent the destruction or dumping, without good and sufficient cause therefor, of farm produce received in interstate commerce by commission merchants and others, and to require them to truly and correctly account therefor, same being known as the produce agency act"; to the Committee on Agriculture.

By Mr. JOHNSON of South Dakota: A bill (H. R. 9764) declaring Abraham Lincoln's birthday to be a legal holiday; to the Committee on the Judiciary.

By Mr. PURNELL: A bill (H. R. 9765) to amend section 4886 of the Revised Statutes; to the Committee on Patents.

By Mr. SWING: A bill (H. R. 9766) authorizing the Secretary of the Interior to arrange with States for the education, medical attention, and relief of distress of Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. ZIHLMAN: A bill (H. R. 9767) for the disposal of combustible refuse from places outside of the city of Washington; to the Committee on the District of Columbia.

By Mr. EVANS of California: A bill (H. R. 9768) to provide equal pensions for widows of Civil War veterans; to the Committee on Invalid Pensions.

By Mr. GRAHAM: A bill (H. R. 9769) to further protect interstate and foreign commerce against bribery and other corrupt trade practices; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARBOUR: A bill (H. R. 9770) granting a pension to Lawrence R. Garrison; to the Committee on Pensions.

By Mr. BRIGHAM: A bill (H. R. 9771) for the relief of Arthur B. Delano; to the Committee on Claims.

By Mr. BUCKBEE: A bill (H. R. 9772) to provide for examination and survey of Rock River, Ill. and Wis.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 9773) to provide for examination and survey of Rock River and the Illinois and Mississippi Canal feeder, Ill.; to the Committee on Rivers and Harbors.

By Mr. CELLER: A bill (H. R. 9774) granting an increase of pension to Margaret McLaughlin; to the Committee on Pensions.

By Mr. CRAIL: A bill (H. R. 9775) granting a pension to Velzora Brown; to the Committee on Invalid Pensions.

By Mr. CRISP: A bill (H. R. 9776) granting a pension to Sallie Mahoney; to the Committee on Invalid Pensions.

By Mr. CULKIN: A bill (H. R. 9777) granting an increase of pension to Minnie Jeffers; to the Committee on Pensions.

Also, a bill (H. R. 9778) granting a pension to Frances Hubbard; to the Committee on Invalid Pensions.

By Mr. CURRY: A bill (H. R. 9779) authorizing a preliminary examination and survey of the Mokelumne River, Calif., and its tributaries, with a view of the control of floods; to the Committee on Flood Control.

By Mr. DOYLE: A bill (H. R. 9780) for the relief of J. P. Moynihan; to the Committee on Claims.

By Mr. DYER: A bill (H. R. 9781) granting an increase of pension to Harriet Hawley Locher; to the Committee on Pensions.

By Mr. FITZGERALD: A bill (H. R. 9782) granting a pension to Lucinda Ridge; to the Committee on Invalid Pensions.

By Mr. FREEMAN: A bill (H. R. 9783) granting an increase of pension to Hilma S. Wright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9784) granting an increase of pension to Ellen F. Lamson; to the Committee on Invalid Pensions.

By Mr. HARE: A bill (H. R. 9785) for the relief of Elizabeth Holley; to the Committee on Claims.

By Mr. HOWARD: A bill (H. R. 9786) for the relief of Samuel Renville; to the Committee on Claims.

By Mr. HUGHES: A bill (H. R. 9787) granting a pension to Rimon Hudson; to the Committee on Invalid Pensions.

By Mr. WILLIAM E. HULL: A bill (H. R. 9788) to provide for examination and survey of Illinois and Mississippi Canal, Ill.; to the Committee on Rivers and Harbors.

By Mr. LANKFORD of Georgia: A bill (H. R. 9789) for the relief of Dr. Jefferson Wilcox; to the Committee on Claims.

By Mr. LINTHICUM: A bill (H. R. 9790) for the relief of Peter E. Anderson; to the Committee on Naval Affairs.

Also, a bill (H. R. 9791) for the relief of William H. Carroll; to the Committee on Military Affairs.

By Mr. McLEOD: A bill (H. R. 9792) for the relief of the widows of certain members of the police and fire departments of the District of Columbia who were killed or died from injuries received in the line of duty, and for other purposes; to the Committee on the District of Columbia.

By Mr. ROWBOTTOM: A bill (H. R. 9793) granting an increase of pension to Ollie Alldredge; to the Committee on Invalid Pensions.

By Mr. SABATH: A bill (H. R. 9794) granting a pension to Joseph Kotrsal; to the Committee on Pensions.

By Mr. SWICK: A bill (H. R. 9795) granting an increase of pension to Annie E. Wallace; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 9796) granting a pension to George Orlando Spitsnale; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4443. Petition of the Forty-third Annual Convention of the Connecticut Federation of Labor, favoring House joint resolution 64, providing for national representation for the District of Columbia; to the Committee on the Judiciary.

4444. By Mr. AUF DER HEIDE: Petition of George Schlemm, of Union City, N. J., and 76 other residents of Union City, N. J., urging the enactment of House bill 2562, providing for increased rates of pension to veterans of the Spanish-American War; to the Committee on Pensions.

4445. Also, petition of John S. Lenander, of Hoboken, N. J., and other citizens, urging the enactment of House bill 2562, providing for increased rates of pension to veterans of the Spanish-American War; to the Committee on Pensions.

4446. By Mr. BACON: Petition of residents of first congressional district, Long Island, N. Y., in favor of an increase in pension to Spanish-American War veterans and widows of veterans; to the Committee on Pensions.

4447. By Mr. BOHN: Petition of citizens of Newberry, Luce County, Mich., for passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

4448. By Mr. BRUNNER: Petition of James S. Crowley and 100 or more voters of New York and Brooklyn, urging Congress to pass favorably upon Senate bill 476 and House bill 2562 providing for increased rates of pension to Spanish-American War veterans; to the Committee on Pensions.

4449. By Mr. BUCKBEE: Petition of H. A. Lovelace and 68 other citizens of Rockton, Ill., asking for early passage of House bill 2562 providing for increased rates of pension to the men who served in the Spanish War period; to the Committee on Pensions.

4450. By Mr. CAMPBELL of Iowa: Petition of 76 citizens of Plymouth County, Iowa, urging the speedy consideration and passage of House bill 2562 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4451. By Mr. CONNERY: Petition of World War veterans of Massachusetts asking Congress to pay immediately the face value of adjusted-compensation certificates in cash; to the Committee on World War Veterans' Legislation.

4452. By Mr. COYLE: Resolution of Monroe Council, No. 131, Sons and Daughters of Liberty, East Stroudsburg, Monroe County, Pa., adopted January 27, 1930, urging immediate enactment of a law placing all countries of North and South America under the quota restrictions of the immigration law, while preserving the provisions of the present law which excludes as permanent immigrants persons not eligible to citizenship; to the Committee on Immigration and Naturalization.

4453. By Mr. CRAWL: Petition of citizens of California favoring the passage of House bill 2562 and Senate bill 476; to the Committee on Pensions.

4454. By Mr. CULKIN: Petition of sundry citizens of Fulton, N. Y., and vicinity praying for the passage of legislation giving increased pensions to veterans of the war with Spain; to the Committee on Pensions.

4455. Also, petition of sundry citizens of Fulton, N. Y., and vicinity praying for the enactment of legislation increasing the rates of pension to veterans of the war with Spain; to the Committee on Pensions.

4456. By Mr. DOWELL: Petition of citizens of Knoxville, Iowa, against the proposed change in the weekly cycle of the calendar; to the Committee on Foreign Affairs.

4457. By Mr. EATON of Colorado: Petition signed by 63 voters of Denver, Colo., urging passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

4458. By Mr. FITZGERALD: Memorial of Dayton Council, No. 24, of the Junior Order United American Mechanics, indorsing The Star-Spangled Banner as our national anthem and urging action to put Mexican immigration on a quota basis, and opposition to any attempt to repeal the national-origins clause of the immigration law; to the Committee on Immigration and Naturalization.

4459. Also, petition of 35 citizens of Dayton, Ohio, urging immediate consideration and passage of House bill 2562, providing for increases in pension to veterans of the Spanish War; to the Committee on Pensions.

4460. Also, petition of Gleaner Council, No. 4, Dayton, Ohio, Sons and Daughters of Liberty, urging immediate necessity of placing quota restriction on immigrants from countries in the Western Hemisphere, especially immigrants from Mexico and the West Indies; to the Committee on Immigration and Naturalization.

4461. Also, memorial of Alpha Council, No. 326, Middletown, Ohio, Junior Order United American Mechanics, urging immediate legislation to place immigration quota restriction on immigrants from Mexico, and further urges retention of the national-origins clause in the present immigration law; to the Committee on Immigration and Naturalization.

4462. Also, memorial of Harmony Council, No. 40, Sons and Daughters of Liberty, Dayton, Ohio, urging that there is an immediate necessity of placing all countries of North and South America under quota restriction of immigration; to the Committee on Immigration and Naturalization.

4463. By Mr. GIBSON: Petition of the Public Service Commission of Vermont, at a meeting held at its offices in the city of Montpelier, Vt., January 30, 1930, that it is opposed to the enactment of the bill pending in Congress to create a commission on communications and power; to the Committee on Interstate and Foreign Commerce.

4464. By Mr. GREENWOOD: Petition signed by Jerry E. Givan and 60 other citizens of Martinsville, Ind., urging speedy passage of Spanish War veterans bills, S. 476 and H. R. 2562; to the Committee on Pensions.

4465. Also, petition signed by Perry G. Wilson and 69 other citizens of Jasonville, Ind., and community, urging speedy passage of Spanish War veterans bills, S. 476 and H. R. 2562; to the Committee on Pensions.

4466. By Mr. GRIFFIN: Petition of the Bronx Old Timers Association of the Borough of the Bronx, New York City, N. Y., urging amendment of the Volstead Act to permit use of light wines and 2.75 beer; to the Committee on the Judiciary.

4467. Also, petition of 66 citizens of New York City urging enactment of House bill 2562 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4468. By Mr. HANCOCK: Petition of Louis Gettmann and other residents of Baldwinsville, N. Y., favoring the passage of House bill 2562; to the Committee on Pensions.

4469. By Mr. HAWLEY: Petition of voters of Coquille, Oreg., praying for pension legislation for the relief of Spanish-American War veterans; to the Committee on Pensions.

4470. By Mr. HOWARD: Petition signed by Andrew Johnson, of Omaha, Nebr., and a score of other petitioners from Omaha, Nebr., pleading in behalf of more adequate pensions for the veterans of the late Spanish-American War and widows of veterans, and for travel pay to those who served in the Philippine insurrection and did not receive travel pay; to the Committee on Pensions.

4471. By Mr. HUDDLESTON: Petition of a number of residents of Jefferson County, Ala., in behalf of more liberal pensions for Spanish War veterans; to the Committee on Pensions.

4472. By Mr. WILLIAM E. HULL: Petition of Judge Charles Schaefer and 62 constituents of Pekin, Ill., asking for immediate legislation for the increase of pensions of veterans of the War with Spain and their dependents; to the Committee on Pensions.

4473. By Mr. KETCHAM: Petition signed by Mayor Thomas C. Hance and 70 other residents of the city of Niles, Mich., requesting favorable consideration of House bill 2562 providing for increased pensions to Spanish-American War veterans; to the Committee on Pensions.

4474. By Mr. MCCLINTOCK of Ohio: Petition of citizens of Stark County, Ohio, favoring increased pensions for Spanish War veterans; to the Committee on Pensions.

4475. By Mr. McKEOWN: Petition of Clarence Johnson, of Macomb, Okla., and other citizens of Pottawatomie County, Okla., urging immediate action on House bill 2562 providing for increased rates of pensions for the veterans of the Spanish War period; to the Committee on Pensions.

4476. By Mr. McLAUGHLIN: Petition of Peter W. Mulder, of Ludington, Mich., and 26 other residents of Mason, Oceana, and Lake Counties; also, of Virgie Saurman, of Manton, Mich., and 59 other residents of Wexford County, urging passage of Senate bill 476 and House bill 2562, providing increase of pension for Spanish War soldiers; to the Committee on Pensions.

4477. By Mr. MAPES: Petition of 34 residents of Grand Rapids, Mich., recommending the early enactment by Congress of Senate bill 476 and House bill 2562; to the Committee on Pensions.

4478. By Mr. MENGES: Petition submitted by Adam F. Keesey and other citizens of York and York County, urging the passage of Senate bill 476 and House bill 2562, providing for increased rates of pension for men who served in the armed forces of the United States during the period of the Spanish-American War; to the Committee on Pensions.

4479. By Mr. NELSON of Missouri: Petition of citizens of Boone County, Mo., urging passage of Senate bill 476 and House

bill 2562, providing increased pensions for Spanish War veterans; to the Committee on Pensions.

4480. Also, petition of several citizens of Centralia, Mo., urging passage of House bill 7884, to exempt dogs from vivisection; to the Committee on the District of Columbia.

4481. By Mr. SIMMONS: Petition of 72 citizens of Dix and Potter, Nebr., asking for speedy consideration and passage of pending bills providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4482. By Mr. SPEAKS: Petition signed by 62 citizens of Franklin County, Ohio, urging speedy consideration and passage of Senate bill 476 and House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4483. By Mr. SWICK: Petition of Frank S. Nettle, Orville Van Horn, and 24 residents of New Castle, Lawrence County, Pa., urging enactment of Senate bill 476 and House bill 2562, providing for increased rates of pensions for veterans of the Spanish War; to the Committee on Pensions.

4484. Also, petition of Edgar A. Negley and 67 residents of Butler, Pa., and vicinity, urging the enactment of House bill 2562 and Senate bill 476, providing for increased rates of pensions for veterans of the Spanish War; to the Committee on Pensions.

4485. Also, petition of Kenneth R. Morrison and 116 residents of Aliquippa and Hopewell Township, Beaver County, Pa., urging the enactment of Senate bill 478 and House bill 2562, providing increased rates of pensions for those who served in the Spanish-American War; to the Committee on Pensions.

4486. By Mr. THOMPSON: Petition of citizens of Stryker, Ohio, for favorable action on House bill 2562, to increase pensions for Spanish War veterans; to the Committee on Pensions.

4487. By Mr. TREADWAY: Resolutions of the General Court of Massachusetts, relative to necessity of restoring to pending tariff bill duties on shoes and leather; to the Committee on Ways and Means.

4488. By Mr. WOOD: Petition of the officers of Unity Camp, No. 85, Spanish-American War Veterans, of Monticello, Ind., asking for the passage of legislation granting increased rates of pension; to the Committee on Pensions.

4489. Also, petition of citizens of Lafayette, Ind., asking legislation be enacted to increase the rates of pension for the Spanish-American War veterans; to the Committee on Pensions.

4490. By Mr. YATES: Petition of the City Council of Savanna, Ill., with the approval of the mayor, urging passage of House bill 2562, granting increase of pensions to Spanish-American War veterans; to the Committee on Pensions.

4491. Also, petition of Clinton Allen, 1212 East Hickory Street, Decatur, Ill., urging support of Robison-Capper bill; to the Committee on Education.

4492. Also, petition of Peter V. O'Reilly, 5507 South Wells Street, Chicago, Ill., and 40 other citizens of Cook County, Ill., urging speedy consideration and passage of House bill 2562 for the relief of veterans of the war between the United States and Spain; to the Committee on Pensions.

4493. Also, petition of Louis Livingston, 4422 Evans Avenue, Chicago, and 150 other citizens urging the passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

4494. Also, petition of Sailors' Union of the Great Lakes, 810½ North Clark Street, Chicago, Ill., requesting the immediate passage of House bills 1815, 6603, and 6797; to the Committee on the Post Office and Post Roads.

4495. Also, petition of Illinois State Federation of Labor of Springfield, Ill., through John H. Walker, president, urging the immediate consideration and passage of House bills 1815, 6603, and 6797, and Senate bills 15, 315, and 2540; to the Committee on the Post Office and Post Roads.

4496. Also, petition of Ladies' Auxiliary, No. 21, National Association of Letter Carriers, through Mrs. M. W. Hart, 1021 Walnut Street, and Mrs. H. N. Gordon, 2109 South Spring Street, Springfield, Ill., urging the passage of House bills 1815, 6603, and 6797; to the Committee on the Post Office and Post Roads.

4497. Also, petition of Davids Produce Co., Urbana, Ill., urging the immediate passage of Senate bill 15 and House bills 162 and 167; to the Committee on the Post Office and Post Roads.

4498. Also, petition of Henry Bingel, Greenville, Ill., urging Congress to pass House bill 162 and Senate bill 15; to the Committee on the Post Office and Post Roads.

4499. Also, petition of Chicago Federation of Labor, 623-633 South Wabash Avenue, Chicago, Ill., urgently requesting the immediate passage of Senate bills 15, 2540, 315, and House bills

1815, 6603, and 6797; to the Committee on the Post Office and Post Roads.

4500. Also, petition of William Morris, 5521 Newport Avenue, Chicago, Ill., requesting the passage of House bills 6603, 1797, and 1815; to the Committee on the Post Office and Post Roads.

4501. Also, petition of William L. H. Hortung, Edwardsville, Ill., urging passage of House bill 162; to the Committee on the Post Office and Post Roads.

4502. Also, petition of L. L. Sbextoli, 509 Oakdale Avenue, Chicago, Ill., urging the immediate passage of Senate bills 15, 2540, and House bills 6603 and 1815; to the Committee on the Post Office and Post Roads.

4503. Also, petition of Frank G. Hess, secretary of the National Association of Letter Carriers of Aurora, Ill., urging the passage of House bill 6603; to the Committee on the Post Office and Post Roads.

4504. Also, petition of Martin C. Mommson, 4923 North Troy Street, Chicago, Ill., also Michael Gawson, 3434 North Avers Avenue, Chicago, Ill., urging passage of House bills 6603, 1815, and 6797; to the Committee on the Post Office and Post Roads.

4505. Also, petition of Adolor J. Petit, attorney, 33 South Clark Street, Chicago, Ill., urging passage of House bill 7405; to the Committee on the Merchant Marine and Fisheries.

4506. Also, petition of R. W. Noble and other citizens of Schuyler County, Ill., protesting against the removal of KWKH, the W. K. Henderson station of Shreveport, La., from the air; to the Committee on the Merchant Marine and Fisheries.

4507. Also, petition of Fred Bennett Camp, of Pontiac, Ill., and 20 citizens who are not veterans of the Spanish-American War, urging the immediate passage of House bill 2562 and Senate bill 476; to the Committee on Pensions.

4508. Also, petition of Savanna Post, No. 148, the American Legion, Savanna, Ill., urging passage of House bill 2562 granting increase of pensions to Spanish-American War veterans; to the Committee on Pensions.

4509. Also, petition of C. M. Goshorn, treasurer Sailors' Union of the Great Lakes, 310½ North Clark Street, Chicago, Ill., urging abolition of the Sea Service Bureau of the United States Shipping Board; to the Committee on the Merchant Marine and Fisheries.

4510. Also, petition of Frank E. Atherton, 3733 Wilton Avenue, Chicago, Ill., urging passage of House bills 6795 and 6603; to the Committee on the Post Office and Post Roads.

4511. Also, petition of Edwin J. Learned, 780 Deer Path East, Lake Forest, Ill., urging passage of House bill 6983, amending Federal farm loan act; also E. R. Lionberger, Dallas City, Ill., urging support of same bill; to the Committee on Banking and Currency.

4512. Also, petition of W. S. Allen, Dallas City, Ill., and Warren Penwell, Pana, Ill., urging passage of House bill 6983; to the Committee on Banking and Currency.

4513. By Mr. ZIHLMAN: Petition of citizens of Eilerslie, Md., urging early and favorable action on Senate bill 476 and House bill 2562 providing for increased rates of pension to veterans of the Spanish-American War; to the Committee on Pensions.

SENATE

WEDNESDAY, February 12, 1930

(Legislative day of Monday, January 6, 1930)

The Senate met at 11 o'clock a. m., in open executive session, on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allen	Fess	Kean	Simmons
Ashurst	Fletcher	Kendrick	Smith
Barkley	Frazier	Keyes	Smoot
Bingham	George	La Follette	Steak
Black	Gillett	McCulloch	Steiwer
Blaine	Glass	McKellar	Stephens
Blease	Glenn	McMaster	Sullivan
Borah	Goldsbrough	McNary	Swanson
Bratton	Gould	Metcalfe	Thomas, Idaho
Brock	Greene	Norbeck	Thomas, Okla.
Brookhart	Grundy	Norris	Townsend
Broussard	Hale	Nye	Trammell
Capper	Harris	Oddie	Tydings
Caraway	Harrison	Overman	Vandenberg
Connally	Hastings	Patterson	Wagner
Copeland	Hatfield	Phelps	Walcott
Couzens	Hawes	Pine	Walsh, Mass.
Cutting	Hayden	Ransdell	Walsh, Mont.
Dale	Hebert	Schall	Watson
Deneen	Johnson	Sheppard	Watson
Dill	Jones	Shortridge	Wheeler